

Registered Housing Association Number: HAL20
FCA Reference Number: 1883R(S)
Scottish Charity Number: SC012549

ABBAYFIELD SCOTLAND LIMITED
REPORT and CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 March 2020

Contents	Page
Members of the Board, Executive and Advisers	1
Report of the Board	2 - 8
Report by the Auditors on Corporate Governance Matters	9
Report of the Auditors	10 - 12
Statement of Comprehensive Income	13 -14
Statement of Changes in Reserves	15
Statement of Financial Position	16 - 17
Statement of Cashflows	18
Notes to the Financial Statements	19 - 32

ABBNEYFIELD SCOTLAND LIMITED

BOARD, EXECUTIVES and ADVISERS

Year ended 31 March 2020

Board

██████████ (Chairperson)
██████████ (Company Secretary)
██████████ (resigned 29 January 2020)
██████████ (resigned 25 September 2019)
██████████
██████████ (resigned 26 August 2019)
██████████ (appointed 26 June 2019)
██████████ (appointed 31 July 2019)
██████████ (appointed 1 August 2019)
██████████ (appointed 30 October 2019)
██████████ (appointed 29 January 2020)

Executive Officers

██████████ (Chief Executive)

Registered Office

14 New Mart Road
Edinburgh
EH14 1RL

Auditors

Alexander Sloan
Accountants and Business Advisers
50 Melville Street
Edinburgh
EH3 7HF

Solicitors

T C Young, Solicitors
7 West George Street
Glasgow
G2 1BA

Finance Agents

Chiene + Tait LLP
61 Dublin Street
Edinburgh
EH3 6NL

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD

For the year ended 31 March 2020

The Board presents its report and the Financial Statements for the year ended 31 March 2020.

Legal Status

Abbeyfield Scotland Limited is a Registered Social Landlord and is a registered non-profit making organisation under the Co-operative and Community Benefit Societies Act 2014 Number 1883R(S). Abbeyfield Scotland Limited is constituted under its Rule Book and is a registered Scottish Charity with the charity number SC012549.

It is also registered with the Financial Conduct Authority and the Scottish Housing Regulator.

Crandeen Property Ltd is a wholly-owned subsidiary of Abbeyfield Scotland Limited and was incorporated on the 23 February 2017.

Principal Activities

The principal activities of the group are the provision and management of affordable rented accommodation and the provision of care and support services for lonely or frail older people.

REVIEW of BUSINESS and FUTURE DEVELOPMENTS

Our Strategic Aims

Our Vision

Abbeyfield Scotland Limited (The Group) is acknowledged as an exemplary provider of care and support services for people who value their independence.

Our Mission

We are committed to managing our assets and developing the business to ensure that the Abbeyfield Group remains a viable, relevant and successful option for housing and services into the future.

Our Strategic Objectives

The Group's strategic objectives are:

- to develop a sustainable new model of living and services, building on a distinct target market
- to concentrate on new developments using new models of service delivery and considering the best use of current stock alongside this
- to engage in a programme of remodelling existing properties and structures
- to improve the organisation's performance, by developing its people, improving service quality, delivering high quality services to larger groups and developing strategic options

Managed Property

The table below shows our stock:

	2019/20	2018/19
	14 Houses	15 Houses
non-self-contained properties	127	133
self-contained properties	12	12
properties leased to Crandeen Ltd for private rental	5	5
Total	144	150

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD (continued)

For the year ended 31 March 2020

Financial Review

The Group has a deficit of £272,722 (2018/19 – deficit £229,524).

Abbeyfield Scotland Limited (the Parent) has an overall deficit of £252,577 (2018/19 – surplus £108,646). No properties were sold in the year compared to the previous year where one property was sold for a profit of £253,686. Operating deficit is £275,803 (2018/19 – deficit £163,716).

The Group is fortunate in carrying no debts and having a healthy cash reserve of £1.5m.

However, the challenge of maintaining the quality of our homes and providing for their remodelling and redevelopment now and in the future continues to be substantial. In recent years we have invested to ensure all non-exempt properties met the Scottish Housing Quality Standard (SHQS) by 2015. Meeting the Energy Efficiency Standard for Social Housing (ESSH) by 2020 is a further mandatory requirement although it is reassuring that 64.3% of our properties to which ESSH is applicable already meet the Standard.

The sum of £258,158 has been budgeted for repairs, planned and cyclical maintenance in 2020/21 and £25,000 on redecoration and internal improvements. Further investment to improve access and facilities will be supported by adaptations grants from Scottish Government.

The Group owns 5 bungalow style properties in Aberdeen, valued at approximately £1.6m, managed at market rents by Crandeen Ltd.

Development and Performance

This report details developments that have occurred during the year relating to the main activities undertaken by Abbeyfield Scotland and how we have performed.

Corporate Governance

Abbeyfield Scotland Ltd is governed by a voluntary Board which is elected by the members of Abbeyfield Scotland. It is the responsibility of the Board to set the strategy, policy and overall direction for Abbeyfield. At the 2019 AGM the Board following the resignation of [REDACTED], Interim Chairman from January 2019, elected [REDACTED] as Chair. [REDACTED] diverted office to Company Secretary. The Board numbered 9 at 31 March 2020.

The Chief Executive and the management team are responsible for achieving the set strategy and undertaking the operational activities in accordance with the agreed policies during the year.

A Strategic Options Appraisal was carried out by July 2019.

The Chief Executive is tasked with a review of the Organisation's Business Plan from 2020/25 onwards, working with the regulatory authorities in meeting Abbeyfield's objectives and governance requirements.

Abbeyfield Scotland Ltd is primarily regulated by The Scottish Housing Regulator and the Care Inspectorate. Abbeyfield submitted its first Annual Assurance Statement in October 2019, indicating areas for improvement to meet full compliance. The statement is supported by an action plan for full compliance by 31st March 2020. The medium term of engagement with The Scottish Housing Regulator continues, with open and transparent relations between the parties.

Partnerships

Crandeen Property Ltd, Abbeyfield's wholly owned subsidiary is not registered with the Scottish Housing Regulator. As at 31 March 2020 the board of Crandeen Property Ltd had one member appointed by Abbeyfield Scotland Limited and two independent members. Arrangements for control of the wholly-owned subsidiary are governed by the Intragroup Agreement between the parties. At 31 March 2020 this is placed under review.

Abbeyfield Scotland Limited is affiliated to the Abbeyfield Society. In Scotland a grouping called Abbeyfield Societies in Scotland Ltd exists to promote collaboration between the various Abbeyfield member societies in Scotland (of which Abbeyfield Scotland is by far the largest).

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD (continued)

For the year ended 31 March 2020

Development and Performance (continued)

Performance

Resident consultation

Resident satisfaction surveys are undertaken annually.

Overall satisfaction in 2019/20 with their Abbeyfield services was reported by 88% of respondents while 80% reported satisfaction with quality of their home).

Allocations and income maximisation

Void rental loss for retained houses was 18.15% of rent and service charges receivable (2018/19 – 16.2%). Under close scrutiny by Board and management, our actions in this crucial regard have been to raise local and national awareness of Abbeyfield's services with improved targeted promotional activity supplemented by local and corporate marketing.

Rent arrears at 31 March 2020 remained, amounting to 1.56% of the annual gross rent due (2018/19 – 1.99%).

Responsive repairs

Category	Performance Measure	Target	2019/20	2018/19
Emergency	Average time to complete	5 hours	5.67 hours	3.87 hours
Non-Emergency	Average time to complete	6 days	10.09 days	7.89 days

The in-house management of repairs has enabled much closer management of repairs since 2017/18.

Health & Safety

In the past year gas safety checks, electrical condition reports, portable appliance testing, water hygiene tests and renewal of Houses in Multiple Occupancy (HMO) licences were undertaken. These demonstrate the paramount importance placed upon the health and safety of our residents and staff.

Gas safety

All gas safety checks are completed in September, several months before their anniversary date and each contractor will be provided again with a comprehensive list of all equipment that requires to be checked.

Fire safety

Fire safety training is undertaken by all staff at least yearly and evacuation tests are carried out regularly at all premises.

Action required as a result of legislation, training, risk assessment and evacuations is taken seriously at both Board and management levels and monitored closely.

Asset Management

Abbeyfield Scotland reviews its asset management strategy on a regular basis and an important element in the reconfiguration of the business has been the closure over several years of a number of unsustainable properties. No houses were closed in 2019/20. No further closures are identified at this time and the Governing Body are taking an active role in a review of our stock.

Our people and our houses are vital assets and the performance of our houses is kept under close appraisal. The results of this appraisal feed directly into our programmes of reconfiguring and remodelling services and the redevelopment of our properties.

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD (continued)

For the year ended 31 March 2020

Development and Performance (continued)

Maintaining our Houses

The year continued with the ongoing programme of planned maintenance and health and safety works to the houses. Projects included:

- heating systems, including boiler replacements
- roofing repairs
- replacement of doors and windows

Significant works are expected in 2020/21 in Haddington.

Grant funding from Scottish Government also allowed adaptations, including ramps and wet floor showers to be carried out to meet the changing needs of tenants affected by mobility and other issues.

People Management

The quality and competence of our staff is maintained by our high standards for recruitment and the induction, training and development given. Expected values and behaviours were developed in partnership with staff and form a “golden thread” running through the whole of the organisation and its activities.

At 31 March 2020, Abbeyfield Scotland Ltd employed 50 staff based in 14 houses, the Area office and in Edinburgh. The sickness absence rate is 6.6% (2018/19 – 6.21%). Long term absence has been a bigger issue than short term absence and there continues to be no discernible pattern. The reasons underlying vary greatly.

Crandeen

In early 2019 the Board of Abbeyfield approved steps being taken by its wholly owned subsidiary Crandeen to limit its expenditure in order to avert financial problems. At the end of 2019/20 the finances of Crandeen continued under close review by the Parent Board.

Abbeyfield's strategic plans for the newly adopted Care at Home service continues to develop models of services and options for the health and well-being of older people in our communities.

Risk Management

The Board has a formal risk management process to assess business risks and implement risk management strategies. This involved identifying the types of risks Abbeyfield Scotland faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Board has reviewed the adequacy of Abbeyfield's current internal controls.

The Board has set policies on internal controls which cover the following:

- consideration of the type of risks Abbeyfield faces
- the level of risks which they regard as acceptable
- the likelihood of the risks concerned materialising
- Abbeyfield's ability to reduce the incidence and impact on the business of risks that do materialise
- management of the costs of operating particular controls relative to the benefit obtained

In order to ensure these policies are adhered to, management has:

- engaged an internal auditor
- clarified the responsibility of management to implement the trustees' policies and identify and evaluate risks for their consideration
- communicated that employees have responsibility for internal control as part of their accountability for achieving objectives
- embedded the control system in the business's operations so that it becomes part of the culture of Abbeyfield

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD (continued)

For the year ended 31 March 2020

Risk Management (continued)

- developed systems to respond quickly to evolving risks arising from factors within the charity and to changes in the external environment
- included procedures for reporting failings immediately to appropriate levels of management and the Board together with details of corrective action being undertaken.

Budgetary process

Each year the Board approves the budget for the following year and provisional budgets for the four succeeding years. Key risk areas are identified. Performance is monitored by way of monthly management accounts and relevant action taken throughout the year through reporting to the Board on variances from the budget and updated forecasts for the year. Approval procedures are in place for areas of major risk such as tenders and major expenditure.

Going Concern

Based on the budgetary processes detailed above, the Board has a reasonable expectation that Abbeyfield Scotland has adequate resources to continue in operational existence but are taking a proactive approach to finding efficiencies which will not preclude partnership working or sharing of services in the future. We continue to adopt the going concern basis of accounting in preparing the financial statements.

Future Prospects

Abbeyfield Scotland is fully focussed on developing a more economic business model that will allow it to achieve its mission and strategic aims and realise its vision.

The financial viability of Abbeyfield's core business is achievable in the short term and the Board will continue to take the steps necessary to its fundamental transformation to a sustainable, attractive and valued provider of services to older people, including a review of a pilot restructuring to satisfy its commitment to remodel service provision and obtain viability.

Board and Executive Officers

The members of the Board and the Executive Officers are listed on Page 1.

Each member of the Board holds one fully paid share of £1 in the Association. The Executive Officers hold no interest in the Association's share capital and, although not having the legal status of Directors, they act as Executives within the authority delegated by the Board.

The members of the Board are also Trustees of the Charity. Members of the Board are appointed by the members at the Association's Annual General Meeting.

Statement of Board's Responsibilities

The Co-operative & Community Benefit Societies Act 2014 requires the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing those Financial Statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business;
- prepare a statement on Internal Financial Control.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the Financial Statements comply with the Co-operative and Community Benefit Societies Act 2014, the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the preventions and detection of fraud and other irregularities. It is also responsible for ensuring the Association's suppliers are paid promptly.

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD (continued)

For the year ended 31 March 2020

Statement of Board's Responsibilities (continued)

The Board must, in determining how amounts are presented within items in the income and expenditure account and balance sheet, have regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting practices.

Insofar as the Board are aware:

- there is no relevant audit information (information needed by the Housing Association's auditors in connection with preparing their report) of which the Association's auditors are unaware, and;
- the Board have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the Housing Association's auditors are aware of that information.

Statement of Internal Financial Control

The Board acknowledges its ultimate responsibility for ensuring that the Association has in place a system of controls that is appropriate for the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- the reliability of financial information used within the Association, or for publication;
- the maintenance of proper accounting records;
- the safeguarding of assets against unauthorised use or disposition.

It is the Board's responsibility to establish and maintain systems of Internal Financial Control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements of the Association's systems include ensuring that:

- formal policies and procedures are in place, including the ongoing documentation of key systems and rules relating to the delegation of authority, which allow the monitoring of controls and restrict the unauthorised use of Association's assets;
- experienced and suitably qualified staff take responsibility for important business functions and annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the management team and the Board to monitor key business risks, financial objects and progress being made towards achieving the financial plans set for the year and for the medium term;
- regular financial management reports are prepared promptly, providing relevant, reliable and up-to-date financial and other information with significant variances from budget being investigated as appropriate;
- regulatory returns are prepared, authorised and submitted promptly to the relevant regulatory bodies;
- all significant new initiatives, major commitments and investment projects are subject to formal authorisation procedures, through the Board;
- the Board receive reports from management and from the external and internal auditors to provide reasonable assurance that internal financial controls are in place and are effective and that a review of the major risks facing the Association is undertaken.
- Formal procedures have been established for instituting appropriate action to correct any weaknesses identified through internal or external audit reports.

The Board has reviewed the effectiveness of the system of internal financial control in existence in the Association for the year ended 31 March 2020. No weaknesses were found in internal financial controls which resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or in the auditor's report on the financial statements.

ABBNEYFIELD SCOTLAND LIMITED

REPORT of the BOARD (continued)

For the year ended 31 March 2020

Auditors

A resolution to re-appoint the Auditors, Alexander Sloan, Accountants and Statutory Auditor, will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD



Secretary

23 September 2020

**REPORT BY THE AUDITORS TO THE BOARD OF
ABBEYFIELD SCOTLAND LIMITED
ON CORPORATE GOVERNANCE MATTERS**

In addition to our audit of the Financial Statements, we have reviewed your statement on page 7 concerning the Group's compliance with the information required by the Regulatory Standards in respect of internal financial control contained within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes which are issued by the Scottish Housing Regulator.

Basis of Opinion

We carried out our review having regard to the requirements relating to corporate governance matters within Bulletin 2006/5 issued by the Financial Reporting Council. The Bulletin does not require us to review the effectiveness of the Group's procedures for ensuring compliance with the guidance notes, nor to investigate the appropriateness of the reasons given for non-compliance.

Opinion

In our opinion the Statement on Internal Financial Control on page 7 has provided the disclosures required by the relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls and is consistent with the information which came to our attention as a result of our audit work on the Financial Statements.

Through enquiry of certain members of the Board and Officers of the Association, and examination of relevant documents, we have satisfied ourselves that the Board's Statement on Internal Financial Control appropriately reflects the Association's compliance with the information required by relevant Regulatory Standards within the publication "Our Regulatory Framework" and associated Regulatory Advice Notes issued by the Scottish Housing Regulator in respect of internal financial controls.

ALEXANDER SLOAN
Accountants and Statutory Auditor
Edinburgh

23 September 2020

Opinion

We have audited the financial statements of Abbeyfield Scotland Limited ("the parent") and its subsidiary ("the group") for the year ended 31 March 2020 which comprise the group and parent Statements of Comprehensive Income, the group and parent Statements of Financial Position, the group and parent Statements of Changes in Equity, the group and parent Statements of Cashflows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the parent Association's affairs as at 31 March 2020 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefits Societies Act 2014, Part 6 of the Housing (Scotland) Act 2010 and the Determination of Accounting Requirements 2019.

In the prior year, the Association had an exemption granted by the Financial Conduct Authority from the requirement to prepare Group Accounts, which no longer applies. Consequently, the comparative figures in the financial statements relating to the Group have not been audited.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Board's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Board has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Board is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBNEYFIELD SCOTLAND LIMITED
(continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board.

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- proper books of account have not been kept by the Group in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the Group in accordance with the requirements of the legislation;
- the Statement of Comprehensive Income and Statement of Financial Position are not in agreement with the books of account of the Group; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Board

As explained more fully in the Statement of Board's Responsibilities as set out on pages 6 and 7, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorresponsibilities>. This description forms part of our audit report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBNEYFIELD SCOTLAND LIMITED
(continued)**

Use of our Report

This report is made solely to the Association's members, as a body, in accordance with Part 7 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the Association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Association and the Association's members as a body, for our audit work, for this report, or for the opinions we have formed.

ALEXANDER SLOAN

Accountants and Business Advisers
Statutory Auditors
EDINBURGH
Date: 23 September 2020



Alexander Sloan
Accountants and Business Advisers

ABBNEYFIELD SCOTLAND LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2020

	Notes	2020	2019
		£	£
Turnover	2	2,432,346	2,473,681
Operating costs	2	(2,714,937)	(2,962,906)
Operating deficit	8	(282,591)	(489,225)
Gain on sale of housing stock	7	-	253,686
Interest receivable and other income		9,869	6,015
		9,869	259,701
(Deficit)/surplus for the year		(272,722)	(229,524)

There were no discontinued operations during the year. As a consequence the results relate wholly to continuing activities.

The notes on pages 19 to 32 form part of these financial statements

ABBNEYFIELD SCOTLAND LIMITED**PARENT STATEMENT OF COMPREHENSIVE INCOME****For the year ended 31 March 2020**

	Notes	2020		2019	
		£	£	£	£
Turnover	2		2,375,116		2,359,935
Operating costs	2		(2,650,919)		(2,523,651)
Operating deficit	8		(275,803)		(163,716)
Gain on sale of housing stock	7	-		253,686	
Interest receivable and other income		23,226		18,676	
			23,226		272,362
(Deficit)/surplus for the year			(252,577)		108,646

There were no discontinued operations during the year. As a consequence the results relate wholly to continuing activities.

The notes on pages 19 to 32 form part of these financial statements

ABBNEYFIELD SCOTLAND LIMITED

GROUP STATEMENT OF CHANGES IN RESERVES

As at 31 March 2020

	Share Capital £	Revenue Reserves £	Restricted Reserves £	Total £
Balance at 1 April 2019	123	4,626,675	448,003	5,074,801
Movement in share capital	(24)	-	-	(24)
Surplus from statement of total comprehensive income	-	(272,722)	-	(272,722)
Balance at 31 March 2020	99	4,353,953	448,003	4,802,005
	=====	=====	=====	=====
Balance at 1 April 2018	135	4,856,199	448,003	5,304,337
Movement in share capital	(12)	-	-	(12)
Surplus from statement of total comprehensive income	-	(229,524)	-	(229,524)
Balance at 31 March 2019	123	4,626,675	448,003	5,074,801
	=====	=====	=====	=====

PARENT STATEMENT OF CHANGES IN RESERVES

As at 31 March 2020

	Share Capital £	Revenue Reserves £	Restricted Reserves £	Total £
Balance at 1 April 2019	123	5,228,942	448,003	5,677,068
Movement in share capital	(24)	-	-	(24)
Surplus from statement of total comprehensive income	-	(252,577)	-	(252,577)
Balance at 31 March 2020	99	4,976,365	448,003	5,424,467
	=====	=====	=====	=====
Balance at 1 April 2018	135	5,120,296	448,003	5,568,434
Movement in share capital	(12)	-	-	(12)
Surplus from statement of total comprehensive income	-	108,646	-	108,646
Balance at 31 March 2019	123	5,228,942	448,003	5,677,068
	=====	=====	=====	=====

The notes on pages 19 to 32 form part of these financial statements

ABBNEYFIELD SCOTLAND LIMITED

GROUP STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

	Notes	2020	2019
		£	£
Tangible fixed assets			
Housing Properties – Depreciated cost	10(a)	2,503,214	2,706,717
Other tangible fixed assets	10(b)	1,686,474	1,776,424
Investments	10(c)	-	-
		-----	-----
		4,189,688	4,483,141
Current assets			
Debtors (amounts falling due within one year)	13	104,375	109,528
Debtors (amounts falling due after one year)	13	-	-
Properties held for sale		87,759	-
Cash at bank and in hand	22	1,549,566	1,747,447
		-----	-----
		1,741,700	1,856,975
Creditors: Amounts falling due within one year	14	(186,469)	(263,641)
		-----	-----
Net current assets		1,555,231	1,593,334
		-----	-----
Total assets less current liabilities		5,744,919	6,076,475
		-----	-----
Creditors: Amounts falling due after one year	15	(942,864)	(1,001,674)
		-----	-----
Net assets		4,802,055	5,074,801
		=====	=====
Capital and reserves			
Share capital	16	99	123
Revenue reserves	17(a)	4,353,953	4,626,675
Restricted reserves	17(b)	448,003	448,003
		-----	-----
		4,802,055	5,074,801
		=====	=====

The financial statements were approved by the Board and signed on their behalf on 23 September 2020.

.....
Chairperson

.....
Board Member

.....
Vice-Chairperson and Secretary

The notes on pages 19 to 32 form part of these financial statements

ABBNEYFIELD SCOTLAND LIMITED

PARENT STATEMENT OF FINANCIAL POSITION

As at 31 March 2020

	Notes	2020		2019	
		£	£	£	£
Tangible fixed assets					
Housing Properties – Depreciated cost	10(a)		2,503,214		2,706,717
Other tangible fixed assets	10(b)		1,670,722		1,690,456
Investments	10(c)		1		1
			-----		-----
			4,173,937		4,397,174
Current assets					
Debtors (amounts falling due within one year)	13	149,743		90,204	
Debtors (amounts falling due after one year)	13	659,407		720,000	
Properties held for sale		87,759		-	
Cash at bank and in hand	22	1,491,759		1,725,507	
			-----		-----
			2,388,668		2,535,711
Creditors: Amounts falling due within one year	14	(195,274)		(254,143)	
			-----		-----
Net current assets			2,193,394		2,281,568
			-----		-----
Total assets less current liabilities			6,367,331		6,678,742
			-----		-----
Creditors: Amounts falling due after one year	15		(942,864)		(1,001,674)
			-----		-----
Net assets			5,424,467		5,677,068
			=====		=====
Capital and reserves					
Share capital	16		99		123
Revenue reserves	17(a)		4,976,365		5,228,942
Restricted reserves	17(b)		448,003		448,003
			-----		-----
			5,424,467		5,677,068
			=====		=====

The financial statements were approved by the Board and signed on their behalf on 23 September 2020.

.....
Chairperson

.....
Board Member

.....
Vice-Chairperson and Secretary

The notes on pages 19 to 32 form part of these financial statements

ABBNEYFIELD SCOTLAND LIMITED

STATEMENT of CASHFLOWS

For the year ended 31 March 2020

GROUP	Note	2020 £	2019 £
Net cash generated from operating activities	21	(249,830)	(302,201)
		-----	-----
Cash flows from investing activities			
Purchase of tangible fixed assets		(19,420)	(159,665)
Grants received and recognised in Deferred Income		-	-
Proceeds from sale of fixed assets		61,500	289,205
(Increase)/decrease in deposits with banks		-	-
Interest receivable		9,869	6,015
		-----	-----
Net change in cash and cash equivalents in the year		(197,881)	(166,646)
Cash and cash equivalents at the beginning of the year		1,747,447	1,914,093
		-----	-----
Cash and cash equivalents at the end of the year		1,549,566	1,747,447
		=====	=====
PARENT	Note	2020 £	2019 £
Net cash generated from operating activities	21	(238,461)	(123,858)
		-----	-----
Cash flows from investing activities			
Purchase of tangible fixed assets		(80,013)	(150,872)
Grants received and recognised in Deferred Income		-	-
Proceeds from sale of fixed assets		61,500	289,205
(Increase)/decrease in deposits with banks		-	-
Interest receivable		23,226	18,676
		-----	-----
Net change in cash and cash equivalents in the year		(233,748)	33,151
Cash and cash equivalents at the beginning of the year		1,725,507	1,692,356
		-----	-----
Cash and cash equivalents at the end of the year		1,491,759	1,725,507
		=====	=====

The notes on pages 19 to 32 form part of these financial statements

ABBEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS

For the year ended 31 March 2020

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS102), the Statement of Recommended Practice for social housing providers "Housing SORP 2014 and the Determination of Accounting Requirements 2019".

Legal Status

Abbeyfield Scotland Limited is registered under the Co-operative and Community Benefit Societies Act 2014 No. 1883R(S) and is a registered Scottish charity No.SC012549. Abbeyfield Scotland Limited is registered as a housing association with the Scottish Housing Regulator under the Housing (Scotland) Act 2010. The principal activity of the Association is the provision of social housing and thus the Association is considered a public benefit entity.

The registered office is 14 New Mart Road, Edinburgh, EH14 1RL.

1. Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards, the Statement of Recommended Practice – Accounting by Registered Social Landlords 2014 and on the historical cost basis. They also comply with Determination of Accounting Requirements 2019. A summary of the more important accounting policies is set out below.

The financial statements are prepared in Pound Sterling which is the financial currency of the entity and rounded to the nearest £1.

Consolidation

During the year, Abbeyfield Scotland Limited received Group Accounts Exemption under Section 99 of the Co-operative and Community Benefit Societies Act 2014.

Turnover

Turnover represents rental and service charge income receivable, fees receivable, revenue grants receivable and donations and legacies receivable.

Retirement benefits

The pension costs charges in the financial statements represent the contributions payable by the organisation during the period.

Valuation of housing properties

Housing properties are stated at cost less accumulated depreciation. Housing under construction and land are not depreciated. The Association depreciates housing properties by major component on a straight line basis over the estimated useful economic lives of each identified component. All components are categorised as Housing Properties within note 10. Impairment reviews are carried out if events or circumstances indicate that the carrying value of the components listed below is higher than the recoverable amount.

Component	Useful Economic Life
Kitchen	20 years
Bathrooms	30 years
Windows	30 years
External doors	30 years
Internal doors	35 years
Boilers	15 years
Central heating	30 years
Lifts	40 years
Roofs	50 years
Rewiring	30 years
Conservatories	15-30 years
Fire alarms	20 years
Structure	50 years

1. Principal accounting policies (continued)

Valuation of housing properties (continued)

When a component is replaced the replacement cost is capitalised. The cost of the original component and depreciation to date is written out of fixed assets. Any remaining cost not depreciated is written out of fixed assets to the Statement of Comprehensive Income as a loss on disposal of fixed assets and included in depreciation of housing within operating costs for social letting

Depreciation and Impairment of Other Tangible Fixed Assets

Other Fixed Assets are stated at cost less accumulated depreciation. Depreciation is recognised so as to write off the cost or valuation useful lives on following bases:-

Office Premises	2% Straight line
Furniture and Fittings	20% Straight line
Computer Equipment	33% Straight line
Office Equipment	33% Straight line
Motor vehicles	25% Straight line and reducing balance
Leasehold Improvements	10% Straight line

The carrying value of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Social Housing Grant

Social Housing Grants are accounted for using the Accrual Method as outlined in section 24 of FRS 102. Grants are treated as deferred income and recognised in income on a systematic basis over the expected useful life of the property and assets to which it relates.

Social Housing Grant attributed to individual components is written off to the Statement of Comprehensive Income when these components are replaced.

Social Housing Grant received in respect of revenue expenditure is credited to the Statement of Comprehensive Income in the same period as the expenditure to which it relates.

Sales of Housing Properties

Disposals of housing property are treated as a fixed asset disposal and any gain and loss on disposal accounted for in the Statement of Comprehensive Income.

Leases/Leased Assets

Costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term. Assets held under finance leases and hire purchase contracts are capitalised on the Statement of Financial Position and are depreciated over their useful lives.

Works to Existing Properties

The Association capitalises major repairs expenditure where these works result in an enhancement of economic benefits by increasing the net rental stream over the life of the property.

Capitalisation of Development Overheads

Directly attributable development administration costs relating to development activities are capitalised in accordance with the Statement of Recommended Practice.

Development Interest

Interest incurred on financing a development is capitalised up to the date of practical completion of the scheme.

Restricted Reserves

Where legacy income is received with conditions stipulated as to how income is to be spent, such income has been included within a Restricted Reserve Fund. Expenditure satisfying the conditions imposed is set against this Reserve. Details of the Restricted Funds are in note 17.

ABBEYFIELD SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

1. Principal accounting policies (continued)

Cash and Cash Equivalents

Cash and Cash Equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of 100 days or less.

In the cash flow statement, cash and cash equivalents does not include term deposits that mature in excess of 100 days and are instead shown within Current Asset Investments on the Statement of Financial Position.

Estimation Uncertainty

The preparation of financial statements requires the use of certain accounting estimates. It also requires the Board to exercise judgement in applying the Association's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements, are disclosed below:

Rent Arrears – Bad Debt Provision

The Association assesses the recoverability of rent arrears through a detailed assessment process which considers tenant payment history and arrangements in place.

Life Cycle of Components and useful life of properties, plant and equipment

The Association estimates the useful lives of major components of its housing property and the useful life of its properties, plant and equipment with reference to surveys carried out by external qualified surveyors and these form the basis on which annual depreciation is estimated.

2. Particulars of turnover, cost of sales, operating costs and operating surplus - Parent

		2020			2019		
	Notes	Turnover £	Operating costs £	Operating surplus/ (deficit) £	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Social lettings	3	2,105,994	2,226,411	(120,417)	2,211,875	2,279,739	(67,864)
Other activities	4	269,122	424,508	(155,386)	148,060	243,912	(95,852)
Total		2,375,116	2,650,919	(275,803)	2,359,935	2,523,651	(163,716)

Particulars of turnover, cost of sales, operating costs and operating surplus - Group

		2020			2019		
	Notes	Turnover £	Operating costs £	Operating surplus/ (deficit) £	Turnover £	Operating costs £	Operating surplus/ (deficit) £
Social lettings	3	2,105,994	2,226,411	(120,417)	2,211,875	2,279,739	(67,864)
Other activities	4	326,352	488,526	(162,174)	261,806	683,167	(421,361)
Total		2,432,346	2,714,937	(282,951)	2,473,681	2,962,906	(489,225)

ABBNEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

3. Particulars of income and expenditure from social lettings - Parent

	General Needs housing £	Supported housing £	Shared ownership £	2020 Total £	2019 Total £
Income from lettings					
Rent receivable net of identifiable service					
Charges	-	1,933,946	-	1,933,946	1,926,958
Service charges receivable	-	588,123	-	588,123	580,219
Gross rents receivable	-	2,522,069	-	2,522,069	2,507,177
<u>Less:</u> Rent losses from voids	-	474,858	-	474,858	407,222
	-	2,047,211	-	2,047,211	2,099,955
Grants released from deferred income	-	42,492	-	42,492	42,900
Other revenue grants	-	16,291	-	16,291	69,020
Total income from social letting	-	2,105,994	-	2,105,994	2,221,875
Expenditure on social letting activities					
Service costs	-	678,028	-	678,028	665,173
Management and maintenance administration costs	-	1,195,430	-	1,195,430	1,125,685
Reactive maintenance	-	109,853	-	109,853	105,219
Bad debts – rents and service charges	-	-	-	-	-
Planned and cyclical maintenance, including major repairs	-	133,886	-	133,886	271,406
Depreciation of social housing	-	109,214	-	109,214	112,256
Operating costs of social letting	-	2,226,411	-	2,226,411	2,279,739
Operating deficit on social letting activities	-	(120,417)	-	(120,417)	(67,864)
2019	-	(67,864)	-	(67,864)	

ABBNEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

4. Particulars of turnover, operating costs and operating surplus or deficit from other activities - Parent

	Grants From Scottish Ministers £	Other Revenue Grants £	Supporting People Income £	Other Income £	Total Turnover £	Operating Costs Bad Debts £	Operating Costs Other £	Operating Surplus/ (deficit) 2020 £	Operating Surplus/ (deficit) 2019 £
Support activities	-	-	79,078	-	79,078	-	240,867	(161,789)	(153,336)
Governance costs	-	-	-	-	-	-	8,866	(8,866)	(10,440)
Legacies and donations	-	-	-	27,521	27,521	-	-	27,521	13,096
Other sundry activities	-	-	-	33,554	33,554	-	-	33,554	54,828
Other activities	-	-	-	128,969	128,969	-	174,775	(45,806)	-
Total from other activities	-	-	79,078	190,044	269,122	-	424,508	(155,386)	(95,852)
2019	-	-	80,136	67,924	148,060	-	243,912	(95,852)	

Particulars of turnover, operating costs and operating surplus or deficit from other activities - Group

	Grants From Scottish Ministers £	Other Revenue Grants £	Supporting People Income £	Other Income £	Total Turnover £	Operating Costs Bad Debts £	Operating Costs Other £	Operating Surplus/ (deficit) 2020 £	Operating Surplus/ (deficit) 2019 £
Support activities	-	-	79,078	-	79,078	-	240,867	(161,789)	(153,336)
Governance costs	-	-	-	-	-	-	8,866	(8,866)	(10,440)
Legacies and donations	-	-	-	27,521	27,521	-	-	27,521	13,096
Other sundry activities	-	-	-	33,554	33,554	-	-	33,554	54,828
Other activities	-	-	-	186,199	186,199	-	238,793	(52,594)	-
Total from other activities	-	-	79,078	247,274	326,352	-	488,526	(162,174)	(95,852)
2019	-	-	80,136	181,670	261,806	-	683,167	(421,361)	

Included in the 'Operating Costs – Other' of £240,867 above are the total costs of providing personal services to residents, above the provision of housing support. Direct grant income from Local Authorities to fund these services is shown above at £79,078. Monthly charges to residents include a charge for personal services and this is shown as £588,123 income under 'Income from Lettings' (Note 3).

ABBNEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

5. Officers emoluments – Group and Parent

The officers are defined in s149 of the Co-operative and Community Benefit Societies Act 2014 as the members of the Board, managers or servants of the Association.

One officer of the Association received emoluments greater than £60,000.

	2020	2019
	£	£
Emoluments payable to Chief Executive including benefits in kind of £7,370 (2019: £12,003) (excluding pension contributions)	81,764	77,980
Pension contributions payable to key management personnel	6,529	6,245
	-----	-----
	88,293	84,225
	=====	=====

Key management personnel is the Chief Executive and their total compensation (including employers' NI) was £96,054 (2019: £93,336). In addition, Chiene + Tait acted as finance agents and were paid £44,377 (2019: £46,028).

6. Employee information - Parent

	2020	2019
	£	£
The average monthly number of full-time equivalent persons employed during the year was	50	48
	=====	=====
The average total number of employees employed during the year was	76	75
	=====	=====
Staff costs were:		
Wages and salaries	1,190,690	1,083,213
Social security costs	79,227	64,262
Other pension costs	57,930	57,047
Temporary, agency and seconded staff	117,398	61,227
	-----	-----
	1,445,245	1,265,749
	=====	=====

Employee information - Group

	2020	2019
	£	£
The average monthly number of full-time equivalent persons employed during the year was	56	56
	=====	=====
The average total number of employees employed during the year was	82	83
	=====	=====
Staff costs were:		
Wages and salaries	1,211,919	1,213,207
Social security costs	82,157	82,201
Other pension costs	58,896	61,155
Temporary, agency and seconded staff	117,398	61,227
	-----	-----
	1,470,370	1,417,790
	=====	=====

Included within the wages and salaries for the year ended 31 March 2020 is £nil (2019: £nil) of severance costs.

ABBNEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

7. Gain on sale of housing stock – Group and Parent

	2020	2019
	£	£
Sales proceeds	-	289,205
Cost of sales	-	35,519
	-----	-----
Gain on sale of housing stock	-	253,686
	=====	=====

8. (Deficit)/surplus for the year on ordinary activities

	2020	Group	2020	Parent
	£	2019	£	2019
	£	£	£	£
(Deficit)/surplus on ordinary activities is stated after charging:				
Depreciation - Tangible fixed assets	127,948	149,641	127,948	119,310
Auditors' remuneration - Audit services	11,100	10,700	11,100	10,700
- Other services	-	-	-	-
Operating lease rentals - Land and buildings	34,153	39,983	34,153	39,983
- Other	5,917	6,499	5,917	6,499
	=====	=====	=====	=====

9. Tax on (deficit)/surplus on ordinary activities – Group and Parent

The Association is a Registered Scottish Charity and is not liable to United Kingdom Corporation Tax on its charitable activities.

The subsidiary, Crandeen Property Ltd has current and brought forward losses which has brought the Corporation Tax for the current year to £nil (2019: £nil).

10. Tangible fixed assets

(a) Housing properties – Group and Parent

	Housing Properties Held for Letting £
Cost	
As at 1 April 2019	4,853,581
Additions	12,385
Disposals	(263,582)

As at 31 March 2020	4,602,384

Depreciation	
As at 1 April 2019	2,146,864
Charge for year	102,914
Disposals	(150,608)

As at 31 March 2020	2,099,170

Net book value	
As at 31 March 2020	2,503,214
	=====
As at 31 March 2019	2,706,717
	=====

Additions to housing properties includes capitalised development administration costs of £Nil (2019: £Nil) and capitalised major repair costs to existing properties of £12,385 (2019: £136,446).

All land and housing properties are freehold.

For the year ended 31 March 2020

10. Tangible fixed assets (continued)

(b) Other tangible fixed assets - Group

	Motor Vehicles	Investment Property	Computer Equipment	Furniture and Equipment	Leasehold Improvements	Total
	£	£	£	£	£	£
Cost						
As at 1 April 2019	103,744	1,640,075	74,717	750,580	13,299	2,582,415
Additions	-	-	7,035	-	-	7,035
Disposals	(103,744)	-	(14,652)	(29,856)	-	(148,252)
As at 31 March 2020	-	1,640,075	67,100	720,724	13,299	2,441,198
Aggregate depreciation						
As at 1 April 2019	25,936	-	65,025	712,370	2,660	805,991
Charge for year	15,831	-	4,484	11,510	1,330	33,155
Disposals	(41,767)	-	(13,151)	(29,504)	-	(84,422)
As at 31 March 2020	-	-	56,358	694,376	3,990	754,724
Net book value						
As at 31 March 2020	-	1,640,075	10,742	26,348	9,309	1,686,474
As at 31 March 2019	77,808	1,640,075	9,692	38,210	10,639	1,776,424

(b) Other tangible fixed assets - Parent

	Motor Vehicles	Investment Property	Computer Equipment	Furniture and Equipment	Total
	£	£	£	£	£
Cost					
As at 1 April 2019	33,943	1,640,075	53,076	728,891	2,455,985
Additions	50,169	-	14,024	3,435	67,628
Disposals	(84,112)	-	-	(27,710)	(111,822)
As at 31 March 2020	-	1,640,075	67,100	704,616	2,411,791
Aggregate depreciation					
As at 1 April 2019	8,486	-	53,076	703,967	765,529
Charge for year	13,650	-	3,282	8,102	25,034
Disposals	(22,136)	-	-	(27,358)	(49,494)
As at 31 March 2020	-	-	56,358	684,711	741,069
Net book value					
As at 31 March 2020	-	1,640,075	10,742	19,905	1,670,722
As at 31 March 2019	25,457	1,640,075	-	24,924	1,690,456

The board have considered the valuation of the properties at the year end and are satisfied that these represent appropriate measures of fair value at 31 March 2020.

ABBEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

10. Tangible fixed assets (continued)

(c) Investments - Parent	2020	2019
	£	£
Cost		
As at 1 April 2019	1	1
Additions during year	-	-
	-----	-----
At 31 March 2020	1	1
	=====	=====

Abbeyfield Scotland Limited owns one share which is 100% of the share capital of Crandeen Limited. Crandeen Limited commenced trading on 26 May 2017.

For the year ended 31 March 2020 the subsidiary Crandeen Property Ltd (SC558564), registered office 17 Victoria Street, Aberdeen AB10 1PU, was entitled to exemption from audit under section 479A of the Companies Act relating to subsidiary companies.

Aggregate capital and reserves	2020	2019
	£	£
Crandeen Property Limited	(622,411)	(602,266)
	=====	=====
Profit/(loss) for the year	2020	2019
	£	£
Crandeen Property Limited	(20,145)	(338,170)
	=====	=====

11. Capital Commitments

	2020	Group	2020	Parent
	£	2019	£	2019
	£	£	£	£
Capital expenditure that has been contracted for but not provided for in the financial statements	-	-	-	-
	=====	=====	=====	=====
Capital expenditure authorised but not contracted for	-	-	-	-
	=====	=====	=====	=====

12. Commitments under operating leases

At the year end, the total future minimum lease payments under non-cancellable operating leases were as follows:

	2020	Group	2020	Parent
	£	2019	£	2019
	£	£	£	£
Not later than one year	32,849	54,048	32,849	54,048
Between one and five years	3,174	36,023	3,174	36,023
	-----	-----	-----	-----
Total	36,023	90,071	36,023	90,071
	=====	=====	=====	=====

ABBEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

13. Debtors	2020	Group 2019	2020	Parent 2019
	£	£	£	£
Due within one year				
Arrears of rent and service charges	39,313	49,473	39,313	49,473
<u>Less: Provision for doubtful debts</u>	(6,000)	(6,000)	(6,000)	(6,000)
	-----	-----	-----	-----
	33,313	43,473	33,313	43,473
Social Housing Grant receivable	9,965	17,686	9,965	17,686
Other debtors and prepayments	42,081	35,164	87,509	29,045
Trade debtors	19,016	13,205	18,956	-
	-----	-----	-----	-----
	104,375	109,528	149,743	90,204
	=====	=====	=====	=====
Due after one year				
Amounts owed by group undertakings	-	-	659,407	720,000
	=====	=====	=====	=====
 14. Creditors: amounts falling due within one year	 2020	 Group 2019	 2020	 Parent 2019
	£	£	£	£
Trade creditors	31,729	81,374	31,729	80,002
Rent in advance	2,820	2,220	2,820	2,220
Other taxation and social security	20,991	21,541	20,991	18,294
Other creditors	28,218	24,656	28,218	28,306
Accruals and deferred income	62,443	90,985	61,238	82,456
Inter-company account	-	-	10,010	-
Deferred Housing Association Grant	40,268	42,865	40,268	42,865
	-----	-----	-----	-----
	186,469	263,641	195,274	254,143
	=====	=====	=====	=====

At the balance sheet date there were pension contributions outstanding of £6,732 (2019: £6,341).

15. Creditors: amounts falling due after one year	2020	Group 2019	2020	Parent 2019
	£	£	£	£
Deferred Housing Association Grant	942,864	1,001,674	942,864	1,001,674
	=====	=====	=====	=====
Within one year	40,268	42,865	40,268	42,865
Due between one and two years	40,268	42,865	40,268	42,865
Due between two and five years	120,804	128,595	120,804	128,595
Due after five years	781,792	830,214	781,792	830,214
	-----	-----	-----	-----
	983,132	1,044,539	983,132	1,044,539
Less: included in current liabilities above	40,268	42,865	40,268	42,865
	-----	-----	-----	-----
	942,864	1,001,674	942,864	1,001,674
	=====	=====	=====	=====

ABBEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

15. Creditors: amount falling after one year (continued)

Deferred Income – Housing Association Grant – Group and Parent	Housing Properties Held for Letting £
Social Housing Grants	
As at 1 April 2019	2,042,736
Disposals	(48,615)

As at 31 March 2020	1,994,121

Amortisation	
As at 1 April 2019	998,197
Amortisation	42,492
Eliminated on disposal	(29,700)

As at 31 March 2020	1,010,989

Net Book Value	
As at 31 March 2020	983,132
	=====
As at 31 March 2019	1,044,539
	=====

16. Share capital – Group and Parent

	£
Shares of £1 each issued and fully paid	
At 1 April 2019	123
Issued in year	5
Cancelled in year	(29)

At 31 March 2020	99
	=====

Each member of the Association holds one share of £1 in the Association. These shares carry no rights to dividend or distributions on a winding up. When a shareholder ceased to be a member, that person's share is cancelled and the amount paid thereon becomes the property of the Association. Each member has a right to vote at members' meetings.

17. Reserves

	Group £	Parent £
(a) Revenue reserve		
At 1 April 2019	4,626,675	5,228,942
(Deficit) for the year	(272,722)	(252,577)
	-----	-----
At 31 March 2020	4,353,953	4,976,365
	=====	=====
(b) Restricted reserves balance	Opening reserve £	Income £
		Closing reserve £
Forres Fund	244,961	-
Highland Fund	7,749	-
Airdrie Fund	100	-
Abbeyfield North Berwick Friends Fund	7,311	-
Killearn Fund	629	-
Dock Park Fund	463	-
Haddington Fund	186,790	-
	-----	-----
Closing balance	448,003	-
	=====	=====

ABBNEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

17. Reserves (continued)

The Forres Fund was established with proceeds received following the dissolution of the Abbeyfield Forres and District Society Limited. These funds are to be used for the benefit of local Abbeyfield Houses.

The Highland Fund was established in 2008/09 following the closure of the Abbeyfield Nethybridge Society. The money was left to the Association on the condition that it be used to benefit those houses remaining in the Highland region.

The Airdrie Fund was established in 2008/09 following a receipt from J W Dyer to be used for the upkeep of the gardens at the Airdrie House.

The Abbeyfield North Berwick Friends Fund was established in December 2013 from a donation of funds held by Abbeyfield North Berwick Friends Group.

The funds were given on the following two conditions to reflect the conditions on which the fund were originally given to the Abbeyfield North Berwick Friends. The conditions are:

1. The funds would be used exclusively for the benefit of residents of the North Berwick Abbeyfield Home but would not be used for anything which would otherwise have been covered by normal monthly expenditure or which would benefit any one resident alone;
2. The former Chair (Mr Simon Edington) and Secretary (Mr Eric Crichton) of North Berwick Abbeyfield Society would be consulted on any expenditure exceeding £1,000 and an annual Statement of Account would be provided to them.

The Killearn Fund was established in December 2013 from a donation received from Ms Ann Boyd on behalf of the late Mrs Margaret Meiklejohn. Ms Ann Boyd chose to donate the credit on her late mother's rent account for the benefit of the Killearn residents.

The Dock Park Fund was established in March 2015 from a donation received from Lorna McKerrow on behalf of the late Mr Malcolm MacLeod. Ms McKerrow chose to donate the credit of £463.44 on her late father's rent account for the benefit of the Dockpark House.

The Haddington Fund was established in 2017/18 from a donation from Abbeyfield East Linton Society Ltd for the benefit of Abbeyfield Haddington, Paterson Court, Paterson Place, Haddington EH41 3DU.

18. Housing stock – Group and Parent

	2020	2019
	No.	No.
The number of units of accommodation in management at the year end was:		
Supported housing	144	150
	=====	=====

ABBNEYFIELD SCOTLAND LIMITED

NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

19. Related party transactions

Members of the board are related parties of the Association as defined by Financial Reporting Standard FRS102.

There were no transactions between the organisation and its related parties during the period other than the reimbursement of travel and subsistence expenses for meetings. Six (2019: seven) board members claimed expenses totalling £6,699 (2019: £7,568).

At the 31 March 2020 a balance of £659,407 on the inter-company loan account was due to Abbeyfield and £13,443 of interest was charged on the loan during the year at a commercial rate.

During the year Abbeyfield received a £3,000 (2019: £12,000) management fee from Crandeen Property Limited and £28,800 (2019: £36,000) for the lease of five properties from Abbeyfield.

At the 31 March 2020 a balance of £50,230 (2019: £3,649) was due from Crandeen Property Limited.

At the 31 March 2020 a balance of £10,010 (2019: £nil) was due to Crandeen Property Limited.

20. Pension costs

Abbeyfield Scotland Limited operates a defined contribution scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the organisation and amounted to £57,930 (2019: £57,047).

Crandeen Property Ltd operates a defined contribution scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the organisation and amounted to £966 (2019: £4,108).

21. Net cash generated from operating activities

	2020 £	Group 2019 £	2020 £	Parent 2019 £
(Deficit)/surplus for the year	(272,722)	(229,524)	(252,577)	108,646
<i>Adjustment for non-cash items:</i>				
Depreciation of tangible fixed assets	136,069	149,641	127,948	119,310
Loss on disposal of fixed assets	12,617	7,001	11,117	7,001
Gain on sale of fixed assets	(3,989)	(253,686)	(3,989)	(253,686)
Decrease in trade and other debtors	5,153	308,153	1,054	89,474
(Decrease) in trade and other creditors	(74,573)	(234,859)	(56,272)	(133,015)
<i>Adjustments for investing or financing activities:</i>				
Government grants utilised in the year	(42,492)	(42,900)	(42,492)	(42,900)
Interest receivable	(9,869)	(6,015)	(23,226)	(18,676)
Share capital written off	(29)	(15)	(29)	(15)
Issue of share capital	5	3	5	3
Net cash flow from operating activities	(249,830)	(302,201)	(238,461)	(123,858)

ABBNEYFIELD SCOTLAND LIMITED**NOTES to the FINANCIAL STATEMENTS (continued)****For the year ended 31 March 2020****22. Cash and cash equivalents**

Group	At 1 April 2019 £	Movement in year £	At 31 March 2020 £
Cash at bank and in hand	1,747,447 =====	197,881 =====	1,549,566 =====
Parent	At 1 April 2019 £	Movement in year £	At 31 March 2020 £
Cash at bank and in hand	1,725,507 =====	233,748 =====	1,491,759 =====

23. Prior year adjustments

The accounts for the year ended 31 March 2020 have been consolidated with the subsidiary therefore the comparatives have been adjusted accordingly.