

Society no.
32137R

AEOBhousepeople Ltd
Report and Unaudited Financial Statements
Year ended 31 December 2022

AEOBhousepeople Ltd

Reference and administrative details

For the year ended 31 December 2022

| | | |
|--------------------------|---|-----------------------------|
| Status | The organisation is a co-operative and community benefit society registered on 16 July 2013. | |
| Society number | FCA 32137R | |
| Registered office | c/o Quaker Meeting House 300 Gloucester Road Bristol BS7 8PD | |
| Directors | Directors who served during the year and up to the date of this report were as follows: Christopher Bull Elinor Kershaw Jim Kinnaird Tim Southall (appointed 11 January 2023) Elizabeth Spanton Paul Whitehouse (appointed 11 January 2023) | |
| Society secretary | Paul Whitehouse | (appointed 11 January 2023) |
| Accountants | Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD | |

AEOBhousepeople Ltd

Report of the directors

For the year ended 31 December 2022

AEOBhousepeople Ltd is a Co-operative and Community Benefit society domiciled in England and Wales. The Board presents its report with the unaudited accounts for the year ended 31 December 2022.

Statement of director's responsibilities

The Board are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit society law requires the Board to prepare financial statements for each financial year. Under that law the Board have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the society and of the income and expenditure of the society for that period. In preparing these financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The Board are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the society and to prevent and detect fraud and other irregularities.

The Board are responsible for the maintenance and integrity of the corporate and financial information included on the society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors

The members of the board in office during the year were as follows:

| | |
|-------------------|-----------------------------|
| Christopher Bull | |
| Elinor Kershaw | |
| Jim Kinniard | |
| Tim Southall | (appointed 11 January 2023) |
| Elizabeth Spanton | |
| Paul Whitehouse | (appointed 11 January 2023) |

Opt-out from audit requirement

The society has opted out of the requirement to have a full audit as Rule 55 of the society's rules do not require a full audit, the assets are valued at less than £2,800,000 and a resolution 'to disapply Section 83 of the Co-operative and Community Benefit Societies Act 2014' was passed at a general meeting (at which i. less than 20% of the votes cast were against the resolution and ii. less than 10% of the votes held within the society were cast against the resolution). The society has opted to submit unaudited accounts.

AEOBhousepeople Ltd

Report of the directors

For the year ended 31 December 2022

Approved by the Board on 21 April 2023 and signed on behalf of the society by

Paul Whitehouse

Paul Whitehouse
Society secretary

AEOBhousepeople Ltd

Chartered accountant's report to the board of directors on the preparation of the unaudited statutory accounts

For the year ended 31 December 2022

In order to assist you to fulfil your duties under the Co-operative and Community Benefit Societies Act 2014, we have prepared for your approval the accounts of AEOBhousepeople Ltd for the year ended 31 December 2022 as set out on pages 5 to 12 from the society's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the board of AEOBhousepeople Ltd, as a body, in accordance with the terms of our engagement letter dated 9 February 2023. Our work has been undertaken solely to prepare for approval the accounts of AEOBhousepeople Ltd and state those matters that we have agreed to state to the board of AEOBhousepeople Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than AEOBhousepeople Ltd and its board for our work or for this report.

It is your duty to ensure that AEOBhousepeople Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of AEOBhousepeople Ltd. You consider that AEOBhousepeople Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of AEOBhousepeople Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given us and we do not, therefore, express any opinion on the statutory accounts.

Alison Godfrey

Date: 27 April 2023

Alison Godfrey FCA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

AEOBhousepeople Ltd

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

| | Note | 2022 £ | 2021 £ |
|---|------|------------------|----------------|
| Income from: | | | |
| Charitable activities - rental income | | 57,560 | 42,802 |
| Receipts for electricity provided to grid | | 2,428 | 2,131 |
| Investments | | 91 | 36 |
| Total income | | 60,079 | 44,969 |
| Expenditure on: | | | |
| Charitable activities | | 419,797 | 54,312 |
| Total expenditure | 2 | 419,797 | 54,312 |
| Net income / (expenditure) and net movement in funds | 3 | (359,718) | (9,343) |
| Reconciliation of funds: | | | |
| Total funds brought forward | | 682,783 | 692,126 |
| Shares refunded | | (5,000) | - |
| Total funds carried forward | | 318,065 | 682,783 |

The society has no recognised gains or losses other than the results for the year as set out above. All of the activities of the society are classed as continuing. All income and expenditure is represented by unrestricted funds in both the current and prior years.

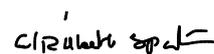
Approved by the board on 21 April 2023 and signed on behalf of the society by



Paul Whitehouse
Society secretary



Tim Southall
Director



Elizabeth Spanton
Director

AEOBhousepeople Ltd

Balance sheet

As at 31 December 2022

| | Note | £ | 2022 £ | 2021 £ |
|---|------|----------------|-----------------------|-----------------------|
| Fixed assets | | | | |
| Tangible assets | 6 | | <u>710,000</u> | <u>989,518</u> |
| Current assets | | | | |
| Debtors | 7 | 2,903 | | 2,956 |
| Cash at bank and in hand | | <u>47,730</u> | | <u>47,813</u> |
| | | 50,633 | | 50,769 |
| Liabilities | | | | |
| Creditors: amounts falling due within 1 year | 8 | <u>120,222</u> | | <u>19,452</u> |
| Net current assets | | | <u>(69,589)</u> | <u>31,317</u> |
| Total assets less current liabilities | | | 640,411 | 1,020,835 |
| Liabilities | | | | |
| Creditors: amounts falling due after more than 1 year | 9 | | <u>322,346</u> | <u>338,052</u> |
| Net assets | | | <u>318,065</u> | <u>682,783</u> |
| Funds | | | | |
| Share capital | 10 | | 634,745 | 639,745 |
| Unrestricted general funds | 11 | | <u>(316,680)</u> | <u>43,038</u> |
| Total funds | | | <u>318,065</u> | <u>682,783</u> |

The officers are satisfied that the society is entitled to exemption from the requirement to obtain an audit under section 84 of the Co-operative and Community Benefit Societies Act 2014.

The officers acknowledge their responsibilities for complying with the requirements of the Co-operative and Community Benefit Societies Act 2014 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in the Co-operative and Community Benefit Societies Act 2014.

The members have not required the society to obtain an audit in accordance with the Act.

Approved by the board on 21 April 2023 and signed on behalf of the society by

Paul Whitehouse
Society secretary

Tim Southall
Director

Elizabeth Spanton
Director

AEOBhousepeople Ltd

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Co-operative and Community Benefit Societies Act 2014.

AEOB Housepeople Ltd meets the definition of a public benefit entity under FRS 102. The society also has charitable status with HMRC. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the society is able to continue as a going concern. While the unrestricted reserves are negative, as operating income comfortably exceeds operating expenditure, a rent review will be due shortly, and the directors have suspended shareholders' right of withdrawal in accordance with Rule C.51, they consider that there are no material uncertainties about the society's ability to continue as a going concern.

c) Income

Income is recognised when the society has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the society: this is normally upon notification of the interest paid or payable by the bank.

e) Funds accounting

The society holds unrestricted general funds only.

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the society and which have not been designated for other purposes.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Operating lease expenditure

Rentals paid under operating leases are charged to the statement of financial activities as they fall due.

AEOBhousepeople Ltd

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the society but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the society, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the society's activities. 100% of these costs have been allocated to charitable activities, as the society does not expend any significant resources on raising funds.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

| | |
|----------|------------------|
| Land | No depreciation |
| Property | 2% straight line |

Items of equipment are capitalised where the purchase price exceeds £1,000.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. As described in note 1 (n) below, the land is held at historic cost, whilst the property itself has been impaired in the current period based on a valuation obtained in March 2023.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors (including provisions)

Creditors and provisions are recognised where the society has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

m) Financial instruments

The society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the mortgage which is subsequently recognised at amortised cost using the effective interest method.

AEOBhousepeople Ltd

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

n) Accounting estimates and key judgements

In the application of the society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1(i) to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Depreciation rates in operation during the current and prior period were as follows:

| | |
|----------|------------------|
| Land | No depreciation |
| Property | 2% straight line |

Freehold land and buildings

As described in note 1(i) to the financial statements, the freehold properties were initially recognised at cost. The split between land and buildings has been estimated on the basis of the land holding its value since the point of purchase. The impaired value of the property is therefore based on the balance of the March 2023 valuation as described in note 6 to the financial statements.

2. Total expenditure

| | 2022 | 2021 |
|-------------------------------------|----------------|---------------|
| | £ | £ |
| Loan interest | 19,087 | 16,270 |
| Room hire | - | 50 |
| Sundries | 1,584 | 2,474 |
| Maintenance | 106,046 | 4,718 |
| Utilities | 11,110 | 8,185 |
| <i>Support costs</i> | | |
| Bank charges | 52 | 54 |
| Governance costs - accountancy fees | 2,400 | 2,880 |
| Bad debt | - | 4,458 |
| Depreciation | 15,223 | 15,223 |
| Impairment loss | 264,295 | - |
| Total | 419,797 | 54,312 |

All expenditure in the current year and prior year was unrestricted.

AEOBhousepeople Ltd

Notes to the financial statements

For the year ended 31 December 2022

3. Net movement in funds

This is stated after charging:

| | 2022 £ | 2021 £ |
|--------------------------------|------------|------------|
| Depreciation | 15,223 | 15,223 |
| Impairment loss | 264,295 | - |
| Directors' remuneration | Nil | Nil |
| Directors' reimbursed expenses | <u>Nil</u> | <u>Nil</u> |

4. Key management personnel

The key management personnel of the society comprise the directors. The total employee benefits of the key management personnel of the society were £nil (2021: £nil).

5. Taxation

The society is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

6. Tangible fixed assets

| | Land £ | Property £ | Total £ |
|-----------------------------------|----------------|----------------|------------------|
| Cost | | | |
| At 1 January and 31 December 2022 | <u>303,060</u> | <u>761,132</u> | <u>1,064,192</u> |
| Depreciation | | | |
| At 1 January 2022 | - | 74,674 | 74,674 |
| Charge for the year | - | 15,223 | 15,223 |
| Impairment loss | - | 264,295 | 264,295 |
| At 31 December 2022 | <u>-</u> | <u>354,192</u> | <u>354,192</u> |
| Net book value | | | |
| At 31 December 2022 | <u>303,060</u> | <u>406,940</u> | <u>710,000</u> |
| At 31 December 2021 | <u>303,060</u> | <u>686,458</u> | <u>989,518</u> |

After the year end, the society obtained a valuation of the property held which indicated an impairment in the value of the property compared to the carrying value. Therefore, an impairment has been recognised to bring the carrying value in line with the market valuation of £710,000, being the value with vacant possession, which the directors deem an appropriate basis for valuation. The same valuation report gave an estimated value in use of £425,000, being the value with tenants in situ.

AEOBhousepeople Ltd

Notes to the financial statements

For the year ended 31 December 2022

7. Debtors

| | 2022 £ | 2021 £ |
|---------------|--------------|--------------|
| Other debtors | <u>2,903</u> | <u>2,956</u> |

8. Creditors : amounts due within 1 year

| | 2022 £ | 2021 £ |
|---------------------------------|----------------|---------------|
| Accruals | 4,800 | 2,400 |
| Long term loans | 2,000 | 2,000 |
| Mortgages | 13,422 | 15,052 |
| Provision for contaminated land | <u>100,000</u> | <u>-</u> |
| | <u>120,222</u> | <u>19,452</u> |

The provision relates to estimated costs payable by the society for the removal of contaminated soil from the property owned by the society.

9. Creditors : amounts due after more than 1 year

| | 2022 £ | 2021 £ |
|-----------------|----------------|----------------|
| Long term loans | 6,000 | 8,000 |
| Mortgages | <u>316,346</u> | <u>330,052</u> |
| | <u>322,346</u> | <u>338,052</u> |

The mortgage is secured by a charge over the property at Battens Lane and is due to be fully repaid by November 2036, and carries an interest rate of 4.5% above the Bank of England base rate.

10. Share capital

In accordance with the society's rules, non-transferable shares are issued to members with a nominal value of £1 each.

| | 2022 £ | 2021 £ |
|--------------------------|----------------|----------------|
| At 1 January 2021 | 639,745 | 639,745 |
| Refunded during the year | <u>(5,000)</u> | <u>-</u> |
| | <u>634,745</u> | <u>639,745</u> |

AEOBhousepeople Ltd

Notes to the financial statements

For the year ended 31 December 2022

11. Unrestricted general funds

| | 2022 | 2021 |
|--|-------------------------|----------------|
| | £ | £ |
| At 1 January | 43,038 | 52,381 |
| Net income / (expenditure) in the year | <u>(359,718)</u> | <u>(9,343)</u> |
| At 31 December | <u>(316,680)</u> | <u>43,038</u> |

12. Related party transactions

There were no related party transactions in the current year or prior year.