

THE ABBEYFIELD CHELTENHAM
SOCIETY LIMITED
RSL NUMBER H 2109
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008

Paish Tooth Limited
Chartered Certified Accountants
35 Rodney Road
Cheltenham
Glos
GL50 1HX

WEDNESDAY



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THE ABBEYFIELD CHELTENHAM SOCIETY LTD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2008

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THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

OFFICERS, PROFESSIONAL ADVISERS AND REGISTERED OFFICE

Executive committee

| | | |
|--------------------------|-----------------------|-------------|
| Members/Directors | P D Little | - President |
| | Mrs A A Turner | - Chairman |
| | Miss M J Winterbourne | - Secretary |
| | Mr A Aldridge | - Treasurer |
| | Mrs B Sullings | |
| | Mrs J Beacon | |
| | Mrs A Watson | |
| | Mrs P Seabrook | |

Secretary Miss M J Winterbourne

Auditors Paish Tooth Limited
35 Rodney Road
Cheltenham
Glos
GL50 1HX

Bankers Barclays Bank Plc
HSBC Bank Plc

Solicitors Rickerbys
Ellenborough House
Wellington Street
Cheltenham
Glos
GL50 1YD

Registered office 3 Amaranth Way
Up Hatherley
Cheltenham
Glos
GL51 3YU

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE

The executive committee submits its annual report together with the financial statements for the year ended 30 September 2008.

1 Principal activity

The principal activity of the society is to provide support, accommodation and companionship for lonely or frail elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. This activity falls wholly within hostel housing activities as defined in the Housing Act 1974.

2 Status

The society is:

- a company limited by guarantee (Number 643334), having no share capital, and with solely charitable objectives.
- registered as a charity (Number 220611)
- registered with The Housing Corporation as a housing association (Number H2109)

3 Review of business and results during the year

The financial results for the year are set out in the income and expenditure account on page 7, and the position at the end of the year is shown in the balance sheet on page 8. The detailed property revenue account is presented on page 16.

From May 2008 the house has been shut for refurbishment and is due to re-open in early 2009. During this time the residents have been temporarily re-housed at other Abbeyfield residences.

As a result of the temporary closure, the level of income received by the Society has fallen significantly.

The executive committee considers that the state of affairs of the Society is satisfactory.

4 Fixed assets

The executive committee is of the opinion that the market value for the existing use of the land and buildings was £500,000 (prior to the extensive redevelopment work currently underway). This value has not been incorporated in these financial statements.

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

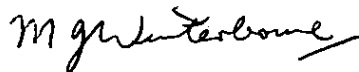
REPORT OF THE EXECUTIVE COMMITTEE (CONTINUED)

5 Executive committee

The members of the executive committee/directors who served during the year are as listed on page 1.

6 Auditors

Following a change in regulations future accounts will not be subject to audit, therefore Paish Tooth Limited will stand down from the role of auditors at the forthcoming Annual General Meeting.



Miss M J Winterbourne

On behalf of the Executive Committee

25 February 2009

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

STATEMENT OF EXECUTIVE COMMITTEE

MEMBERS'/DIRECTORS' RESPONSIBILITIES

Company law requires the executive committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society as at the end of that year and of the surplus or deficit of the society for that period. In preparing those financial statements the executive committee is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- state whether applicable statements of recommended practice have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The executive committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and which enable it to ensure that the financial statements comply with the relevant legislation. It is also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

We have audited the financial statements of The Abbeyfield Cheltenham Society Limited for the year ended 30 September 2008 on pages 7 to 15 which have been prepared under the accounting policies set out on pages 9 and 10.

The report is made solely to the association's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

Respective responsibilities of the executive committee members/directors and auditors

As described on page 4, the executive committee is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Auditing Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the relevant legislation. We also report to you whether, in our opinion, the information given in the executive committee members/directors report is consistent with the financial statements.

In addition we report to you if, in our opinion, the association had not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding executive committee members/directors remuneration and other transactions is not disclosed.

We read the executive committee members/directors report and consider the implications for our report if we become aware of any apparent misstatements within it.

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED (CONTINUED)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the executive committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the society's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the society's affairs at 30 September 2008 and of its income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for registered social landlords General Determination 2000.
- the information given in the executive committee members/directors report is consistent with the financial statements.



Paish Tooth Limited
Chartered Certified Accountants and Registered Auditors

11 March 2009

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2008

| | <u>Note</u> | <u>2008</u> | <u>2007</u> |
|--------------------------------------|-------------|----------------|-----------------|
| | | £ | £ |
| Turnover | | 21406 | 49227 |
| Less Operating costs | | 40321 | 76644 |
| | | — | — |
| Operating deficit | 4 | (18915) | (27417) |
| Interest receivable and other income | 7 | 14377 | 13559 |
| | | — | — |
| Net (deficit) on ordinary activities | 14 | <u>£(4538)</u> | <u>£(13858)</u> |

The Society's turnover and expenses all relate to continuing operations.

The financial statements were approved by the Executive Committee/Board on 25 February 2009 and signed on its behalf by:

Mrs A A Turner



Miss M J Winterbourne





THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

BALANCE SHEET AT 30 SEPTEMBER 2008

| | <u>Note</u> | <u>2008</u> £ | <u>2007</u> £ |
|--|-------------|------------------|------------------|
| <u>Tangible Fixed Assets</u> | | | |
| Housing properties | | | |
| Cost less depreciation | 8 | 168739 | 158773 |
| Other tangible fixed assets | | | |
| Fixtures and equipment | 9 | 1517 | 2611 |
| | | <hr/> | <hr/> |
| | | <u>170256</u> | <u>161384</u> |
| <u>Current Assets</u> | | | |
| Stocks | | - | 75 |
| Debtors | 10 | 2771 | 610 |
| Cash at bank and in hand | | 249052 | 264676 |
| | | <hr/> | <hr/> |
| | | 251823 | 265361 |
| <u>Current Liabilities</u> | | | |
| Creditors : amounts falling due within one year | 11 | (2109) | (2237) |
| | | <hr/> | <hr/> |
| Net current assets | | 249714 | 263124 |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | <u>£419970</u> | <u>£424508</u> |
| <u>Capital and reserves:-</u> | | | |
| Revenue reserves: | | | |
| Income and expenditure account | 13 | 419970 | 424508 |
| | | <hr/> | <hr/> |
| | | <u>£419970</u> | <u>£424508</u> |

The financial statements were approved by the Executive Committee/Board on 25 February 2009 and signed on its behalf by:

Mrs A A Turner 

Miss M J Winterbourne 

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008

1 Status of society

The society is registered under the:

Companies Act 1985 (registered number 643334) and the Housing Act 1974 (Housing Corporation registered number H2109), and is a registered charity (number 220611).

The society is wholly engaged in hostel activities as defined in the Housing Act 1974.

2 Accounting policies

2.1 General

The principal accounting policies of the society are set out in the following subparagraphs.

2.2 Accounting basis

These financial statements are prepared under the historical cost convention, in accordance with applicable Accounting Standards in the United Kingdom, the Statement of Recommended Practice (the SORP) issued by the National Federation of Housing Associations, The Housing Act 1996, and with the Accounting Requirements for registered social landlords General Determination 2000.

2.3 Turnover

Turnover comprises rental and service income receivable.

2.4 Fixed assets - Housing land and buildings

Housing land and buildings are stated at cost.

2.5 Depreciation

2.5.1 Housing land and buildings

No depreciation is charged on the housing property because it is maintained in a state of repair such that the estimated residual value of the buildings at the date of the balance sheet is not less than its net book amount. The annual charge for depreciation therefore would be immaterial.

2.5.2 Fixtures and equipment

Depreciation is charged on the straight line basis at 20% per annum on cost.

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008 (CONTINUED)

2.6 Allocation of expenses

Expenses are allocated to management, repairs and service costs on the basis of the proportion of time or other relevant factors attributable to these activities.

2.7 Stocks

Stocks are in the nature of catering foodstuffs and are valued at the lower of cost and net realisable value.

2.8 Corporation Tax and VAT

The society has charitable status and is exempt from Corporation Tax on the income it has received.

The society was not VAT registered at any time during the year ended 30 September 2008.

2.9 Pensions

The society has no pension arrangements for its employees, other than Social Security benefits.

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008

| | <u>2008</u> | <u>2007</u> |
|---|-------------|-------------|
| | £ | £ |
| 3 Operating Deficit | | |
| This is stated after charging: | | |
| Operating costs including:- | | |
| Depreciation | 1314 | 1462 |
| Auditors' Remuneration - audit services | 450 | 450 |
| - other services | <u>926</u> | <u>1254</u> |

4 a) Particulars of turnover, cost of sales and operating deficit

| | Turnover | Operating Costs | Operating Deficit |
|------------------------------|--------------|-----------------|-------------------|
| | £ | £ | £ |
| Social housing lettings | <u>21406</u> | <u>40321</u> | <u>18915</u> |
| Year ended 30 September 2008 | | | |
| Year ended 30 September 2007 | <u>49227</u> | <u>76644</u> | <u>27417</u> |

b) Particulars of income and expenditure from social housing lettings

Residential homes

| | Year ended 30 September 2008 | Year ended 30 September 2007 |
|---|---------------------------------|---------------------------------|
| | Total | Total |
| | £ | £ |
| Rent receivable | 41129 | 55859 |
| Voids | (19723) | (6632) |
| Turnover from social housing lettings | <u>21406</u> | <u>49227</u> |
| Management | 5878 | 34438 |
| Routine maintenance | 1504 | 3295 |
| Furniture removal and storage | 6232 | - |
| Services | <u>26707</u> | <u>38911</u> |
| Operating costs on social housing lettings | <u>40321</u> | <u>76644</u> |
| Operating deficit on social housing lettings | <u>£18915</u> | <u>£27417</u> |

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008

| | | | |
|----------|-----------------------|--------------|---------------|
| 5 | Employees | <u>2008</u> | <u>2007</u> |
| | | £ | £ |
| | Employee costs: | | |
| | Salaries and wages | 6187 | 13076 |
| | Social security costs | 369 | 866 |
| | | <hr/> | <hr/> |
| | | <u>£6556</u> | <u>£13942</u> |

Average weekly number of employees during the year:

| | | |
|--------------|----------|----------|
| Hostel staff | <u>1</u> | <u>1</u> |
|--------------|----------|----------|

6 Directors' emoluments

No emoluments were payable for either the current or preceding year.

There were no pension arrangements in place in either year.

No compensation was payable in respect of either year.

No consideration was payable in either year in respect of services provided by third parties for making available personnel.

7 Interest receivable and other income

| | | |
|---------------|---------------|---------------|
| Bank interest | 14302 | 13484 |
| Donations | 75 | 75 |
| | <hr/> | <hr/> |
| | <u>£14377</u> | <u>£13559</u> |

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008

| | | |
|----------|---|---------------------|
| 8 | Housing land and buildings (Freeholds) | <u>Total</u> |
| | Cost | |
| | At 1 October 2007 | 187240 |
| | Additions | 9967 |
| | | <hr/> |
| | At 30 September 2008 | 197207 |
| | Depreciation | |
| | At 1 October 2007 | 28468 |
| | Charge for the year | - |
| | | <hr/> |
| | At 30 September 2008 | 28468 |
| | | <hr/> |
| | <u>Net book amount at 30 September 2008</u> | <u>£168739</u> |
| | <u>Net book amount at 30 September 2007</u> | <u>£158773</u> |
| 9 | Fixtures and equipment | <u>Total</u> |
| | Cost | |
| | At 1 October 2007 | 12044 |
| | Additions | 220 |
| | | <hr/> |
| | At 30 September 2008 | 12264 |
| | | <hr/> |
| | Depreciation | |
| | At 1 October 2007 | 9433 |
| | Charge for the year | 1314 |
| | | <hr/> |
| | At 30 September 2008 | 10747 |
| | | <hr/> |
| | <u>Net book amount at 30 September 2008</u> | <u>£1517</u> |
| | <u>Net book amount at 30 September 2007</u> | <u>£2611</u> |

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008

| | | | |
|-----------|---|--|------------------|
| 10 | Debtors | <u>2008</u> £ | <u>2007</u> £ |
| | Prepayments | 1459 | 610 |
| | Other debtors | 1312 | - |
| | | <hr/> | <hr/> |
| | | <u>£2771</u> | <u>£610</u> |
| 11 | Creditors - Falling due within one year | | |
| | Accruals | 2109 | 1724 |
| | Taxation and social security | - | 513 |
| | | <hr/> | <hr/> |
| | | <u>£2109</u> | <u>£2237</u> |
| 12 | Share Capital | | |
| | The society is a company limited by guarantee and has no share capital. Each member has undertaken to contribute an amount not exceeding £1 in the event of the company being wound up while he is a member or within one year of ceasing to be a member. | | |
| 13 | Revenue Reserves | | |
| | | <u>Income and</u> <u>Expenditure Account</u> £ | |
| | At 1 October 2007 | 424508 | |
| | Deficit for the year | 4538 | |
| | | <hr/> | |
| | At 30 September 2008 | <u>£419970</u> | |

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2008

14 Housing Stock Units in Management

| | <u>2008</u> | <u>2007</u> |
|------------------------|-------------|-------------|
| Hostel Accommodation | | |
| - number of bed spaces | <u>8</u> | <u>8</u> |

15 Payments to creditors

| | | |
|---|----------|----------|
| Average number of days between receipt and payment of purchase invoices | <u>7</u> | <u>7</u> |
|---|----------|----------|

THE ABBEYFIELD CHELTENHAM SOCIETY LIMITED**DETAILED HOSTEL PROPERTY REVENUE ACCOUNT****FOR THE YEAR ENDED 30 SEPTEMBER 2008**

| | <u>2008</u> | <u>2007</u> |
|--|-----------------|-----------------|
| | £ | £ |
| Income | | |
| Residents' charges | 41129 | 55859 |
| Losses arising from vacancies and absences | (19723) | (6632) |
| | <u>21406</u> | <u>49227</u> |
| Turnover - Net income from residents' charges | | |
| | <u>21406</u> | <u>49227</u> |
| Expenditure | | |
| Management expenses | | |
| Insurance | 1724 | 868 |
| Telephone - administration | 279 | 291 |
| Membership fee - The Abbeyfield Society | 902 | 683 |
| Auditors remuneration | 1376 | 1704 |
| Legal and professional fees | 1597 | 30576 |
| Stationery, postage and advertising | - | 316 |
| | <u>5878</u> | <u>34438</u> |
| Repairs and maintenance | | |
| Day to day repairs | 1504 | 3295 |
| Furniture removal and storage | <u>6232</u> | - |
| | <u>7736</u> | <u>3295</u> |
| Service costs | | |
| Care and catering | | |
| Employee costs | 11816 | 16722 |
| Food costs and cleaning | 5555 | 10767 |
| Garden maintenance | 705 | 1320 |
| Rates | 1046 | 2084 |
| Heating and lighting | 5550 | 5636 |
| Sundry expenses | 659 | 920 |
| Depreciation - Fixtures, fittings and equipment | 1314 | 1462 |
| Bank charges | <u>62</u> | - |
| | <u>26707</u> | <u>38911</u> |
| Operating costs | <u>40321</u> | <u>76644</u> |
| Hostel property revenue operating deficit | <u>£(18915)</u> | <u>£(27417)</u> |