

COMPANY REGISTRATION NUMBER: 00643334
REGISTERED SOCIAL LANDLORD NUMBER : H2109

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Financial Statements

31st December 2016

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COMPANIES HOUSE

BERNARD ATKINS LIMITED

Chartered Accountants
Eight Bells House
14 Church Street
Tetbury
Gloucestershire
GL8 8JG

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Officers and Professional Advisers

The board of directors	A A TURNER (Resigned 5th January 2016) M J WINTERBOURNE A M WATSON (Resigned 5th January 2016) J BEACON M J BEACON C J COOMBE (Resigned 5th January 2016) B N A GILHEAD (Resigned 5th January 2016) J S WHITE C B STEVENS (Resigned 30th June 2016) A P PURCELL N BRICK
Company secretary	M J WINTERBOURNE
Registered office	37 St. Lukes Road Cheltenham Gloucestershire GL53 7JF
Accountants	BERNARD ATKINS LIMITED Chartered Accountants Eight Bells House 14 Church Street Tetbury Gloucestershire GL8 8JG
Bankers	Barclays Bank Plc
Solicitors	WSP Solicitors Nailsworth Stokescroft Cossack Square Nailsworth Gloucestershire GL6 0DZ

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Officers' Report

Year ended 31st December 2016

The officers present their report and the unaudited financial statements of the company for the year ended 31st December 2016.

Principal activities

The principal activity of the society is to provide support, accommodation and companionship for the 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 Acts 1974 and 1996.

The financial results for the year are set out in the income and expenditure account on page 6 and the position at the end of the year is shown in the balance sheet on page 7. The detailed property revenue account is presented on page 14.

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

Throughout the period of the accounts the Society was governed by the Committee Members listed in the first section on the previous page.

On 1 January 2016 the company acquired the whole of the assets and undertaking of the following companies:

Abbeyfield Cirencester Society Limited,
Abbeyfield Nailsworth and District Society Limited,
The Abbeyfield Prestbury and District Society Limited.

In preparation for the merger with the Societies above, new Articles of Association were adopted as from 1 September 2015. However, the merger did not take place as early as expected, and they observed only a watching brief over the Society until the merger finally took place in January 2016. On 5 January 2016, those members of the original Committee who did not become Executive Committee members of the merged Society ceased to be directors, but remained as a House Committee for the Cheltenham house.

The company changed its name from The Abbeyfield Cheltenham Society Limited on 15 January 2016.

During the year it was evident that the Nailsworth house was not viable due to low occupancy and lack of new residents, and that the potential to improve the property was minimal due to its age and listed status. The Officers decided to close the Nailsworth house. These accounts include the losses that were incurred due to Nailsworth being below economic occupancy and the principal costs of closure namely resettlement and redundancy. Whilst the Society is still responsible for Nailsworth, the ongoing costs for the closed house are not significant and the property will be disposed of.

Status

The society is:

- a company limited by guarantee (Number 00643334), having no share capital, and with solely charitable objectives.
- registered as a charity (Number 220611).
- registered with the Homes and Communities Agency as a Registered Social Landlord (Number H2109).

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Officers' Report *(continued)*

Year ended 31st December 2016

Officers

The officers who served the company during the year were as follows:

M J WINTERBOURNE

J BEACON

M J BEACON

J S WHITE

A P PURCELL

N BRICK

A A TURNER (Resigned 5th January 2016)

A M WATSON (Resigned 5th January 2016)

C J COOMBE (Resigned 5th January 2016)

B N A GILHEAD (Resigned 5th January 2016)

C B STEVENS (Resigned 30th June 2016)

The members of the executive committee who served during the year are shown above.

The members of the committee had no beneficial interest in any significant contract with the company.

In accordance with the company's new Articles of Association the term of office for an Executive Committee Member is 3 years, but with re-appointment for a further 3 years allowable.

Officers' responsibilities

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

Company law requires the officers to prepare financial statements for each financial year. Under that law the officers have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the officers must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the officers are required to:

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

The officers are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dividends

Due to the nature of the company's activities, no dividends are payable by the company.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Officers' Report *(continued)*

Year ended 31st December 2016

Other matters

The officers have had due regard to the guidance published by the Charity Commission on public benefit.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 21st August 2017 and signed on behalf of the board by:



M J WINTERBOURNE
Director

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

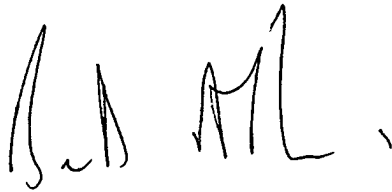
Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Year ended 31st December 2016

In order to assist you to fulfil your duties under the Companies Act 2006, registered social housing legislation and applicable accounting standards, we have prepared for your approval the financial statements of THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED for the year ended 31 December 2016, which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes from the company'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 www.icaew.com/en/membership/regulations-standards-and-guidance.

Our work has been undertaken in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation.



BERNARD ATKINS LIMITED
Chartered Accountants

Eight Bells House
14 Church Street
Tetbury
Gloucestershire
GL8 8JG

21st August 2017

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Statement of Comprehensive Income

Year ended 31st December 2016

		Year to 31 Dec 16 £	Period from 1 Oct 14 to 31 Dec 15 £
Income	Note 5	346,843	109,174
Direct costs		<u>179,499</u>	<u>49,010</u>
Gross surplus		167,344	60,164
Administrative expenses		<u>196,341</u>	<u>45,107</u>
Other operating income		<u>4,551</u>	<u>2,955</u>
Operating (deficit)/surplus		(24,446)	18,012
Other interest receivable and similar income		<u>23</u>	<u>19</u>
(Deficit)/surplus before taxation	9	(24,423)	18,031
Tax on (deficit)/surplus on ordinary activities		<u>—</u>	<u>—</u>
(Deficit)/surplus for the financial year		(24,423)	18,031
Income and expenditure reserves transferred from other societies on acquisition		<u>254,933</u>	<u>—</u>
Total comprehensive income for the year		230,510	18,031

All the activities of the company are from continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Statement of Financial Position

31st December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	10	564,634	377,130
Current assets			
Debtors	11	13,403	6,025
Cash at bank and in hand		88,812	28,502
		<u>102,215</u>	<u>34,527</u>
Creditors: amounts falling due within one year	12	<u>29,092</u>	<u>4,410</u>
Net current assets		<u>73,123</u>	<u>30,117</u>
Total assets less current liabilities		<u>637,757</u>	<u>407,247</u>
Net assets		<u>637,757</u>	<u>407,247</u>
Reserves			
Other reserves	15	27,836	—
Income and expenditure account	15	609,921	407,247
Members funds		<u>637,757</u>	<u>407,247</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

For the year ending 31st December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Officers' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The officers acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The statement of financial position
continues on the following page.

The notes on pages 10 to 15 form part of these financial statements.

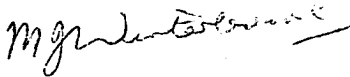
THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

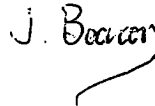
Statement of Financial Position *(continued)*

31st December 2016

These financial statements were approved by the board of directors and authorised for issue on 21st August 2017, and are signed on behalf of the board by:



M J WINTERBOURNE
Director



J BEACON
Director

Company registration number: 00643334

The notes on pages 10 to 15 form part of these financial statements.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Statement of Changes in Reserves

Year ended 31st December 2016

	Other reserves £	Income and expenditure account £	Total £
At 1st October 2014	–	389,216	389,216
Surplus for the year		18,031	18,031
Total comprehensive income for the year	–	18,031	18,031
At 31st December 2015	–	407,247	407,247
Deficit for the year		(24,423)	(24,423)
Other comprehensive income for the year:			
Income and expenditure reserves transferred from other societies on acquisition	27,836	227,097	254,933
Total comprehensive income for the year	27,836	202,674	230,510
At 31st December 2016	<u>27,836</u>	<u>609,921</u>	<u>637,757</u>

The notes on pages 10 to 15 form part of these financial statements.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31st December 2016

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office and principal place of business is 37 St. Lukes Road, Cheltenham, Gloucestershire, GL53 7JF.

The society is registered under the:

Companies Act (registered number 00643334) and the Housing Acts 1974 and 1996 (Homes and Communities Agency registered number H2109), and is a registered charity (number 220611).

The society is wholly engaged in hostel housing activities as defined in the Housing Acts 1974 and 1996.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

The accounts are also prepared in accordance with the Statement of Recommended Practice for Social Housing Providers 2014 (SORP 2014) and with the Accounting Direction for Private Registered Providers of Social Housing in England 2015 (AD 2015).

The company constitutes a public benefit entity as defined by FRS 102.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

Corporation tax and VAT

The society is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The society was not VAT registered at any time during the year.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 18.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

3. Accounting policies *(continued)*

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

No cash flow statement has been presented for the company.

Disclosures in respect of financial instruments have not been presented.

Revenue recognition

Income comprises rental and service income receivable.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 0-2% straight line
Fixtures & fittings	- 20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Company limited by guarantee

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 or she is a member or within one year of ceasing to be a member.

5. Income

Income arises from:

	Year to 31 Dec 16 £	Period from 1 Oct 14 to 31 Dec 15 £
Rendering of services	<u>346,843</u>	<u>109,174</u>

The whole of the income is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

6. Social housing income and costs

	2016	2015
	£	£
Residents service charges recoverable	474,999	125,414
Less: Losses from voids	128,156	16,240
	<u>346,843</u>	<u>109,174</u>
Food and housekeeping costs	38,232	13,933
Wages and salaries	138,562	34,820
Subcontractor costs	2,705	257
	<u>167,344</u>	<u>60,164</u>
Operating surplus/(deficit) from social housing activities		

7. Employee numbers

The average number of persons employed by the company during the year amounted to 16 (2015: 5).

8. Officers' remuneration

No remuneration was payable in either the current or preceding period.

There were no directors pension arrangements in place in either period.

No compensation was payable in respect of either period.

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

9. (Deficit)/surplus on ordinary activities before taxation

(Deficit)/surplus before taxation is stated after charging:

	Year to	Period from
	31 Dec 16	1 Oct 14 to
	£	£
Depreciation of tangible assets	<u>15,413</u>	<u>1,912</u>

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

10. Tangible assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1st January 2016	400,742	26,412	427,154
Additions	—	504	504
Disposals	—	(6,200)	(6,200)
Transfers	349,561	129,913	479,474
At 31st December 2016	750,303	150,629	900,932
Depreciation			
At 1st January 2016	28,468	21,556	50,024
Charge for the year	6,249	9,164	15,413
Disposals	—	(6,198)	(6,198)
Transfers	164,130	112,929	277,059
At 31st December 2016	198,847	137,451	336,298
Carrying amount			
At 31st December 2016	551,456	13,178	564,634
At 31st December 2015	372,274	4,856	377,130

11. Debtors

	2016 £	2015 £
Prepayments and accrued income	13,403	4,710
Other debtors	—	1,315
	13,403	6,025

12. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	8,250	—
Social security and other taxes	7,401	—
Pension control	349	—
Other creditors	13,092	4,410
	29,092	4,410

13. Employee benefits

The company has a pension scheme for employees (excluding directors) with NEST. The charge to profit and loss account of the company in respect of these payments amounted to £507 (2015 £Nil). £349 was outstanding at the balance sheet date.

THE ABBEYFIELD GLOUCESTERSHIRE SOCIETY LIMITED

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

14. Acquisitions

On 1 January 2016 the company acquired the whole of the assets and undertaking of the following companies:

Abbeyfield Cirencester Society Limited,
Abbeyfield Nailsworth and District Society Limited,
The Abbeyfield Prestbury and District Society Limited.

15. Reserves

Income and expenditure account - This reserve records retained earnings and accumulated losses.

Other reserves - This reserve records the amount available for future use against capital repairs.

16. Housing stock

	2016	2015
Hostel Accommodation		
- number of bed spaces	31	8

17. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under FRS 102.

18. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st October 2014.

No transitional adjustments were required in equity or profit or loss for the period.