

Registered Number: 00685160

Charity Reg. No 246972

**ABBNEYFIELD (WEYMOUTH) SOCIETY LTD
LIMITED BY GUARANTEE**

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED
30 SEPTEMBER 2014**

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ABBNEYFIELD (WEYMOUTH) SOCIETY LTD

OFFICERS AND ADVISERS

EXECUTIVE COMMITTEE

Mrs B Mills (Chairman)
Mrs J Branton
Mrs J Sheppard
Mr A Newberry
Mr M Thame
Mr D Mannings
Mr B Sadler

SECRETARY

Mrs K S Ashley

TREASURER

Mr A E Newberry

REGISTERED OFFICE

Legh House
117 Rylands Lane
Weymouth Dorset
DT4 9QB

REGISTERED NUMBER

00685160
(England and Wales)

BANKERS

Barclays Bank Plc
Weymouth

AUDITORS

CB Reid Ltd

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE

The executive committee, who are also directors of the company for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011, submits its annual report and the audited accounts for the year ended 30 September 2014.

ACTIVITIES

The principal activity of the society is to provide accommodation, care and companionship for lonely or frail elderly people in accordance with the aims and principles of The Abbeyfield Society Limited.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The society is a company limited by guarantee (Number 00685160) having no share capital and with solely charitable objectives. The company was incorporated on 2 March 1961 and is governed by its Memorandum and Articles of Association. The society is also registered as a charity (Number 246972) and with the Homes and Communities Agency (Number H0068).

New executive committee members are appointed by existing executive committee members. The society's Articles of Association dictate that until otherwise determined by a general meeting the number of executive committee members shall not be less than 3 nor more than 18. All new executive committee members are made aware of their obligations when taking on the appointment.

OBJECTS AND ACTIVITIES

The society's principal objects as set out in its Memorandum of Association originally drafted in 1961 are "to relieve aged impotent and poor people of all classes, for the advancement of religion and education and for other charitable purposes beneficial to the community". In practice the society achieves this by providing accommodation for the elderly in the homes that it owns. The trustees have had regard to the guidance issued by the Charity Commission on public benefit and consider that the society's aims and objectives comply with the Charity Commission guidance in this regard.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

The society continued to provide housing for the elderly. The financial results for the year are as set out in the income and expenditure account and the position at the end of the year is shown in the balance sheet. The detailed property revenue account is presented in note 18. The income and expenditure accumulated surplus reduced by the deficit for the year of £29321. All of the society's reserves are represented by unrestricted funds. The principal risks and uncertainties relevant to the society continue to be the current economic climate and the potential for changes in government policy or the implementation of new legislation which may have an impact on the sector. That having been said, the society is considered well positioned to deal with such risks and uncertainties. The executive committee considers the state of affairs of the society and the level of reserves held to be satisfactory in view of its ongoing commitment to maintain its properties and to fulfil its obligations to both tenants and staff.

FUTURE DEVELOPMENTS

The society will continue providing accommodation for the elderly and has no plans to change its operation in the foreseeable future.

FIXED ASSETS

Details of cost and depreciation of fixed assets are set out in Notes 3 and 8. The executive committee is of the opinion that the market value for the existing use of the land and buildings is not significantly different from their current valuation for insurance purposes of £1928977. This valuation has not been incorporated in these accounts.

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE

The members of the executive committee who served during the year were:

Mrs B Mills - Chairman
Mrs J Branton
Mrs J Sheppard
Mr A Newberry
Mr M Thame
Mr D Mannings
Mr B Sadler

In accordance with the Registered Rules of the Society Mr Thame and Mr Mannings retire by rotation, and being eligible, offer themselves for re-election at the forthcoming Annual General Meeting to be held on 2 March 2015.

Statement of executive committee members responsibilities

The executive committee members (who are the directors of Abbeyfield (Weymouth) Society Limited for the purposes of company law) are responsible for preparing the Executive Committee Report and the financial statements in accordance with applicable law and regulations.

Company law and registered social housing legislation require the executive committee members to prepare financial statements for each financial year. Under that law the executive committee members 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 executive committee members 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 society and the surplus or deficit of the society for that period.

In preparing these financial statements, the executive committee members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 society will continue in business .

The executive committee members are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2012. They are 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.

ABBNEYFIELD (WEYMOUTH) SOCIETY LTD

REPORT OF THE EXECUTIVE COMMITTEE

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

We, the executive committee members of the Registered Social Housing Provider who held office at the date of approval of the accounts as set out above each confirm, so far as we are aware, that:

~ there is no relevant audit information of which the Registered Social Housing Provider's auditors are unaware: and

~ we have taken all the steps that we ought to have taken as executive committee members in order to make ourselves aware of any relevant audit information and to establish that the Registered Social Housing Provider's auditors are aware of that information.

Approved by and signed on behalf of the executive committee

K.S. Ashley Mrs K S Ashley
2 March 2015 Date

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBEYFIELD (WEYMOUTH) SOCIETY LTD

We have audited the financial statements of Abbeyfield (Weymouth) Society Limited for the year ended 30 September 2014 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. 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 board and auditor

As explained more fully in the Board's Responsibilities Statement, the board members (who are also the directors of the association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Executive Committee to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

Basis for qualified opinion on financial statements

Included in debtors shown on the balance sheet for the year ended 30 September 2013 was an amount of £28,874 due in respect of an overage payment relating to a property disposal. In our opinion, at 30 September 2013 the criteria for recognising this asset had not been met and it should not have been included in the financial statements. Accordingly, this payment should have been recognised in the accounts for the year ended 30 September 2014 and the deficit for the financial year should be decreased by £28,874.

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ABBEYFIELD (WEYMOUTH) SOCIETY LTD

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the society's affairs as at 30 September 2014 and of its income and expenditure 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 Companies Act 2006, the Housing and Regeneration Act 2008 and The Accounting Direction for private registered providers of social housing in England 2012.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Executive Committee's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the executive committee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the director's report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.



P Cattermole (Senior Statutory Auditor)
For and on behalf of CB Reid Limited, Statutory Auditor

4 March 2015

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2014

		2014	2013
	Note	£	£
TURNOVER		615099	609332
Operating Costs		647499	663709
HOUSING OPERATING (DEFICIT)		(32400)	(54377)
OTHER OPERATING INCOME			
Donations		670	408
OPERATING (DEFICIT)		(31730)	(53969)
INTEREST RECEIVABLE AND SIMILAR INCOME			
Bank	7	1620	2907
		(30110)	(51062)
OTHER RECOGNISED MOVEMENTS			
Profit on property disposal		-	28874
Profit on investment	9	789	8059
(DEFICIT) FOR FINANCIAL YEAR		(29321)	(14129)
Brought forward		1688510	1702639
Carried forward		1659189	1688510

No operations have been discontinued or acquired during the year, and the amounts above relate entirely to continuing operations.

The society has no recognised gains or losses other than those included in the surpluses and deficits for the above two financial years and therefore no separate statement of total recognised gains and losses has been presented.

The accounts were approved by the board on 2 March 2015

Mrs B Mills..... B. M. Mills Chairman

Mrs K S Ashley..... K. S. Ashley Secretary

A E Newberry..... A. E. Newberry Treasurer

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

BALANCE SHEET AS AT 30 SEPTEMBER 2014

		2014	2013
	Note	£	£
FIXED ASSETS			
Tangible assets:			
Housing land and buildings	3	1462128	1308969
Social Housing grant	3	(92001)	(92001)
		1370127	1216968
Fixtures, fittings and equipment	8	46448	14733
		1416575	1231701
Investments	9	18437	17648
		1435012	1249349
CURRENT ASSETS			
Debtors and prepayments	10	5385	46909
Investments	11	221921	408682
Cash at bank and in hand		16025	16517
		243331	472108
CREDITORS: Amounts falling due within one year	12	19147	32940
NET CURRENT ASSETS		224184	439168
TOTAL ASSETS LESS LIABILITIES		1659196	1688517
CAPITAL AND RESERVES			
Guarantees	13	7	7
General unrestricted reserves:			
Income and expenditure - accumulated surplus		1659189	1688510
ACCUMULATED FUND		1659196	1688517

These accounts have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) .

The accounts were approved by the board on 2 March 2015.....

Mrs B Mills..... *B. Mills* Chairman

Mrs K S Ashley..... *K.S. Ashley* Secretary

A E Newberry..... *A. Newberry* Treasurer

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. Status

The society is a company limited by guarantee (Number 00685160) having no share capital and with solely charitable objectives, it is also registered as a charity (Number 246972). The society is registered as a housing association with the Homes and Communities Agency.

2. Accounting Policies

Accounting convention

The accounts have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), the Statement of Recommended Practice: Accounting by Registered Social Housing Providers (Update 2010) and with the Accounting Directions for private registered providers of social housing in England 2012. The accounts are prepared in accordance with the historical cost basis of accounting except as modified by the revaluation of investments and certain fixed assets.

Turnover

Turnover comprises rental and service income receivable as it falls due on a monthly basis, net of losses from voids.

Tangible assets: Housing land and buildings

The Society has adopted Financial Reporting Standard 15 on Tangible Fixed Assets by recognising land donated to it and including it at the executive committee's valuation. Depreciation is not provided on land and buildings. This departure from the requirements of the Companies Act 2006, for all properties to be depreciated, is, in the opinion of the executive committee, necessary for the financial statements to give a true and fair view. In the committee's opinion the properties have a residual value not materially different from the amount at which the properties are included in the financial statements and are subject to periodic impairment reviews. The committee also consider the remaining useful lives of the properties are at least 50 years and therefore the depreciation charge would be insignificant.

Social Housing Grant

Where developments have been financed wholly, or partly, by Social Housing Grant (SHG), the cost of those developments has been reduced by the amount of the grant receivable which is shown separately in the Balance Sheet. SHG has in the past, with the approval of the Homes and Communities Agency, been transferred between the society's freehold properties and so no SHG has been repayable on any subsequent disposal of properties to which SHG originally related. SHG may however become repayable under certain circumstances (including the sale of properties) in the future.

Tangible assets: Fixtures, fittings and equipment

Depreciation is charged on the reducing balance basis at 10% per annum. A full year's depreciation charge is made on fixed assets in the year that the asset is brought into use and no charge is made in the year of disposal. Fire precaution costs are not depreciated. Assets donated to the society are not included in the Balance Sheet, other assets are included at cost.

Future cyclical and major repairs

No provision is made for future cyclical or major repairs as the society keeps its properties in a state of continued good repair and charges the whole cost to revenue in the year in which it is incurred. The physical condition of the properties is kept under constant review and a programme of maintenance work is planned and updated as appropriate.

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

Investments

Fixed asset investments are included in the balance sheet at market value. At the balance sheet date the shares were valued at 76.87 pence each.

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.

Corporation Tax and VAT

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

The society is not registered for VAT.

Pensions

The society has no pension arrangements for employees, other than Social Security benefits and a stakeholder pension scheme to which they are able to contribute at no cost to the society.

	2014 £	2013 £
3. Housing land and buildings		
SHG assisted schemes freehold (completed)		
Cost		
At 30 September 2013	37557	37557
At 30 September 2014	<u>37557</u>	<u>37557</u>
Freehold Properties		
Cost / valuation		
At 30 September 2013	1271412	1266336
Additions to existing properties	153159	5076
At 30 September 2014	<u>1424571</u>	<u>1271412</u>
 Total at 30 September 2014	 <u>1462128</u>	 <u>1308969</u>
 Social Housing Grant		
At 30 September 2014	<u>92001</u>	<u>92001</u>

In accordance with the society's adopted accounting policy, housing land and buildings donated to it are included at the executive committee's valuation upon receipt. All other housing land and buildings are included at cost.

	Units under development		Units in management	
	2014	2013	2014	2013
4. Housing stock				
Hostel accommodation				
bed spaces	<u>-</u>	<u>-</u>	<u>28</u>	<u>28</u>

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

5. Executive committee members' emoluments

The executive committee members neither received nor waived any emoluments during the year (2013 - nil).

	2014 £	2013 £
6. Employee costs		
Salaries and wages	445774	426240
Social security	17934	21412
	<u>463708</u>	<u>447652</u>

The average weekly number of persons employed was 25 (2013 - 24) full time equivalents.

7. Interest receivable and similar income

Bank and short term deposit interest gross	1620	2907
	<u>1620</u>	<u>2907</u>

8. Fixtures, fittings and equipment

Cost:

Brought forward	49165	46477
Additions	36447	2688
Carried forward	<u>85612</u>	<u>49165</u>

Depreciation:

Brought forward	34432	33224
Provision	4732	1208
Carried forward	<u>39164</u>	<u>34432</u>

Net book value

<u>46448</u>	<u>14733</u>
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9. Fixed asset investments

UK investments listed on the UK stock exchange

Market value brought forward	17648	9589
Profit on revaluation	789	8059
Market value carried forward	<u>18437</u>	<u>17648</u>

Historical cost

<u>60903</u>	<u>60903</u>
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The investment comprises solely of ordinary shares in Lloyds Banking Group which are held primarily to provide an investment return for the society.

10. Debtors: Amounts due within one year

Residents' charges due and unpaid	2512	14863
Other debtors	-	29838
Bank interest receivable	172	390
Payments in advance	2701	1818
	<u>5385</u>	<u>46909</u>

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

	2014 £	2013 £
11. Current asset investments		
Bank deposits	<u>221921</u>	<u>408682</u>
12. Creditors: Amounts falling due within one year		
Trade creditors	9600	17509
Taxation and social security	4805	4528
Accruals	<u>4742</u>	<u>10903</u>
	<u>19147</u>	<u>32940</u>
13. Share capital		
There is no authorised share capital. The company is limited by guarantee, the number of members whose liability is limited to £1 at the year end was:		
	<u>7</u>	<u>7</u>
14. Transactions with related parties		
A E Newberry, the Society's Treasurer, and Executive Committee member is also a director and shareholder of Albert Goodman CBH Limited. Accountancy fees of £12164 (2013 £24294) were payable by the Society to Albert Goodman CBH Limited for the year. The transactions were conducted on an arm's length basis, on normal commercial terms and no board members used their position to their advantage. This expense ceased during the year upon the appointment of a Finance Officer directly employed by the society.		
	2014	2013
	£	£
15. Operating (deficit) surplus		
Operating surplus (deficit) is stated after charging:		
Auditors' remuneration	2680	2560
Losses arising from vacancies and absences	38773	13906
Depreciation of owned assets	4732	1207
16. Reserves		
General unrestricted reserves:		
Opening reserves	1688510	1702639
(Deficit) for year	<u>(29321)</u>	<u>(14129)</u>
Closing reserves	<u>1659189</u>	<u>1688510</u>

ABBEYFIELD (WEYMOUTH) SOCIETY LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

	2014 £	2013 £
18. Detailed hostel property revenue account		
INCOME		
Residents' charges	653872	623238
Losses arising from vacancies and absences	(38773)	(13906)
Turnover - net income from residents' charges	<u>615099</u>	<u>609332</u>
EXPENDITURE		
Management expenses		
Insurance	4030	3618
Telephone	2177	2315
Registration fees	1600	1600
Membership fee The Abbeyfield Society	7778	7549
Other subscriptions	116	39
Audit fee	2680	2560
Professional fees	300	2280
Promotional advertising	4323	2829
Stationery and postage	1561	2084
Bank charges	213	310
Finance officer salary	11396	-
Treasurer's fees	12164	24294
	<u>48338</u>	<u>49478</u>
Repairs and maintenance	<u>45228</u>	<u>64066</u>
Service costs		
Care and catering		
Employee costs	452312	447652
Recruitment advertisement fees	862	728
Food costs and cleaning materials	46169	48612
Staff training	3588	3715
Incontinence supplies	2712	1589
Garden maintenance	5989	6406
Council tax/ water rates	9415	9046
Heating and lighting	23351	26282
Sundry	3108	3871
Motor	1156	1057
Equipment hire	539	-
Equipment depreciation	4732	1207
	<u>553933</u>	<u>550165</u>
Operating costs	<u>647499</u>	<u>663709</u>
Hostel property revenue operating (deficit)	<u>(32400)</u>	<u>(54377)</u>