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REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2005  
FOR  
THE ABBEYFIELD BOGNOR REGIS SOCIETY  
LIMITED BY GUARANTEE



**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

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**For The Year Ended 30 September 2005**

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**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS**  
**For The Year Ended 30 September 2005**

The directors present their report with the financial statements of the company for the year ended 30 September 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of providing accommodation for lonely and elderly people in accordance with its memorandum and articles of association and the aims and principles of the Abbeyfield Society Limited. These activities fall wholly within Hostel Housing activities as defined in the Housing Act 1996.

**CHARITABLE STATUS**

The company is a registered charity, number 202045, under the Charity Acts 1993 and is governed by its memorandum and articles of association as amended on 25 April 2001.

**COMPANY REGISTRATION**

The company was incorporated in England and Wales under the Companies Act 1985, registration number 694360.

**ELECTION OF DIRECTORS**

Directors are elected at the annual general meeting and at management committee meetings held during the course of the year.

**REGISTERED OFFICE, BANKERS, AUDITORS AND SOLICITORS**

<i>REGISTERED OFFICE</i>	<i>BANKERS</i>	<i>AUDITORS</i>	<i>SOLICITORS</i>
9/17 Richmond Avenue Bognor Regis West Sussex PO21 2YE	Barclays Bank Plc 74-75 East Street Chichester West Sussex PO19 1HR	Stuart Bromley and Company 74-76 Aldwick Road Bognor Regis West Sussex PO21 2PE	Staffurth & Bray 85 Aldwick Road Bognor Regis West Sussex PO21 2NT

**ORGANISATIONAL STRUCTURE**

The board of the directors, also known as the management committee, are responsible for agreeing on key decisions and convene on a monthly basis with the house and nursing manager to do so. The board of directors include the Treasurer, Mrs S M Hendrick. The structure includes job roles for house and nursing manager, deputy nursing manager, administrator, project adviser, applications secretary, bookkeeping, payroll, cooks, maintenance and the core care staff. Members of the management committee do not fulfil these roles and therefore liaise with these individuals as and when appropriate to exchange information, opinions and thoughts.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**REVIEW OF ACTIVITIES**

The committee reviews the needs of the residents regularly, consultation with the manager and her staff including the cooks is held with the chairman and members of the committee on frequent visits during each week.

The completion of the conservatory is a significant addition to the building enabling our residents who are unable to move around to enjoy the pleasure of the garden throughout the year.

The Society has carried out many projects to enhance the quality of life of the residents over the past years but does not see the necessity of a major project for the coming year other than strict maintenance, although the changing of radiators in the very sheltered house is under review.

The volunteers have, individually, responsibility for the care and social welfare of the residents and the admissions secretary in close co-operation with the manager. Further specialist advice on finance, surveying and maintenance of the building are available while a retired doctor also serves.

**RESERVES POLICY**

The policy of the organisation is to retain sufficient reserves so as to provide the directors with assurance that unforeseen expenditure can be funded and that the organisation is likely to be able to continue as a going concern in the foreseeable future.

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**REPORT OF THE DIRECTORS (continued)**  
**For The Year Ended 30 September 2005**

**RISK STATEMENT**

The systems present to mitigate major risks to which the charity is exposed are reviewed annually.

**PAYMENT OF CREDITORS**

It is estimated that on average invoices took 12 (2004: 9) days to settle during the year.

**DIRECTORS**

The directors during the year under review were:

Mrs S M Hendrick  
R Burrell - Resigned 20 July 2004  
Miss J M Dines  
M L Elsley - Appointed 27 April 2005  
D Gall - Appointed 27 April 2005  
J D Laxton  
K H Mann - Resigned 21 February 2005  
M M Morton - Resigned 2 October 2004  
I Ovstedal  
Dr W N B Parker  
O J Roberts  
Mrs D E Smith  
Mrs R M White  
Mrs S S Wachsmuth - Appointed 10 October 2005

**SECRETARY**

M L Elsley - Appointed 27 April 2005  
K H Mann - Resigned 21 February 2005

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law and registered social housing legislation requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are 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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

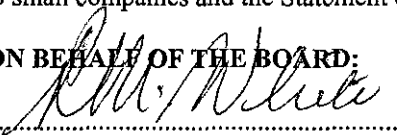
**REPORT OF THE DIRECTORS (continued)**  
**For The Year Ended 30 September 2005**

**AUDITORS**

The auditors, Stuart Bromley and Company, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Statement of Recommended Practice for Charities 2000.

**ON BEHALF OF THE BOARD:**

  
.....  
R M White

Date: 12.04.06.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE ABBEYFIELD BOGNOR REGIS SOCIETY  
LIMITED BY GUARANTEE**

We have audited the financial statements of The Abbeyfield Bognor Regis Society (Limited by Guarantee) for the year ended 30 September 2005 which comprise the income and expenditure account, balance sheet and the related notes on pages five to eleven. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has 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 directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

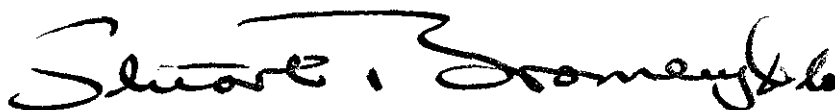
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates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

We planned 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 information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2005 and of its deficit 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.

.....  
Stuart Bromley and Company  
Chartered Accountants  
Registered Auditors  
74-76 Aldwick Road  
Bognor Regis  
West Sussex  
PO21 2PE



Date: ..... 16 April 2006

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**INCOME AND EXPENDITURE ACCOUNT**  
**For The Year Ended 30 September 2005**

	Notes	30.9.05 £	30.9.04 £
<b>TURNOVER</b>		343,868	335,461
Administrative expenses		<u>408,091</u>	<u>413,916</u>
<b>OPERATING DEFICIT</b>	3	(64,223)	(78,455)
Interest receivable and similar income		<u>7,155</u>	<u>6,172</u>
<b>DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(57,068)	(72,283)
Tax on deficit on ordinary activities	5	<u>-</u>	<u>-</u>
<b>DEFICIT FOR THE YEAR</b>		<u>(57,068)</u>	<u>(72,283)</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the deficits for the current and previous years.

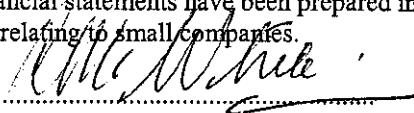
**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

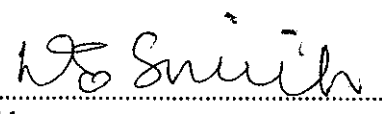
**BALANCE SHEET**  
**30 September 2005**

	Notes	30.9.05 £	£	30.9.04 £	£
<b>FIXED ASSETS</b>					
Housing properties at valuation	6		383,170		407,041
Other fixed assets	6		<u>21,519</u>		<u>19,339</u>
			404,689		426,380
<b>CURRENT ASSETS</b>					
Debtors	7	7,419		6,606	
Cash at bank and in hand		<u>155,937</u>		<u>194,681</u>	
		163,356		201,287	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>12,187</u>		<u>14,741</u>	
<b>NET CURRENT ASSETS</b>					
			<u>151,169</u>		<u>186,546</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>555,858</u>		<u>612,926</u>
<b>RESERVES</b>					
Restricted reserves	10		170,965		170,965
Revenue reserve	10		<u>384,893</u>		<u>441,961</u>
	10		<u>555,858</u>		<u>612,926</u>

**ON BEHALF OF THE BOARD:**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

  
 .....  
 R M White

  
 .....  
 D E Smith

Approved by the Board on 12-09-06

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For The Year Ended 30 September 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and in accordance with the Statement of Recommended Practice (Accounting by registered social landlords 2005) and the Accounting Requirements for Registered Social Landlords General Determination 2000.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

**Turnover**

Turnover represents amounts receivable from residents for the year and donations received in the year. The company is not registered for VAT.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land, buildings and development costs	- 2% on cost
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 25% on cost

**Impairment**

Impairment reviews are undertaken where events or changes in circumstances indicate that the carrying amount of fixed assets or goodwill may not be fully recoverable.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the income and expenditure account.

**Restricted reserves**

Amounts received that are subject to external restrictions governing their use and restrictions applied to funds already held are disclosed separately as restricted reserves.

**Works to existing properties and capitalisation**

Works to existing properties that do not result in an enhancement of economic benefits of a property are charged to the income and expenditure account. This includes expenditure incurred to ensure that the property can maintain its existing level of net rental income.

Expenditure is capitalised where it represents the replacement or restoration of an item that has been treated separately and depreciated over its individual useful life.

**2. STAFF COSTS**

	30.9.05	30.9.04
	£	£
Wages and salaries	225,006	205,316
Other pension costs	<u>1,320</u>	<u>1,969</u>
	<u>226,326</u>	<u>207,285</u>
The average monthly number of employees during the year was as follows:		
	30.9.05	30.9.04
Direct care staff and others	<u>17</u>	<u>16</u>

These notes form part of these financial statements

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2005**

**3. OPERATING DEFICIT**

The operating deficit is stated after charging:

	30.9.05	30.9.04
	£	£
Depreciation - owned assets	27,813	27,475
Auditors' remuneration	750	650
Works to existing properties	<u>20,176</u>	<u>55,186</u>

Directors' emoluments	<u>-</u>	<u>-</u>
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Works to existing properties represents the construction of a conservatory for use of the tenants (2004, repairs to roof)

**4. HOMES, BEDSPACES AND RENTAL INCOME**

	30.9.05	30.9.04
	No.	No.
<b>Properties</b>		
Housing properties	<u>5</u>	<u>5</u>
<b>Units</b>		
General needs housing	16	16
Supported housing accommodation	12	12
Staff units	<u>3</u>	<u>3</u>
	<u>31</u>	<u>31</u>
<b>Rental income</b>	£	£
Rents receivable	342,818	334,881
Rent losses arising from voids	15,310	7,614

**5. TAXATION**

The company is a registered charity and as such is not liable to corporation tax on any surplus whether arising from investments or its principal activities. The company is also not liable to corporation tax in respect of any gains on disposal of properties.

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2005**

**6. TANGIBLE FIXED ASSETS**

	9 Richmond Avenue £	11 Richmond Avenue £	Development costs of 9 & 11 £	13, 15, 17 Richmond Ave £
<b>NOTE OF HISTORICAL COST</b>				
Before re-valuation	29,288	183,798	505,993	132,768
Increase/(Decrease) in valuation	55,712	(108,798)	-	(14,882)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2004	<u>85,000</u>	<u>75,000</u>	<u>505,993</u>	<u>117,886</u>
<b>COST</b>				
At 1 October 2004	85,000	75,000	505,993	117,886
Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2005	<u>85,000</u>	<u>75,000</u>	<u>505,993</u>	<u>117,886</u>
<b>DEPRECIATION</b>				
At 1 October 2004	18,700	16,500	98,972	25,936
Charge for year	<u>1,700</u>	<u>1,500</u>	<u>10,119</u>	<u>2,357</u>
At 30 September 2005	<u>20,400</u>	<u>18,000</u>	<u>109,091</u>	<u>28,293</u>
<b>NET BOOK VALUE</b>				
At 30 September 2005	<u>64,600</u>	<u>57,000</u>	<u>396,902</u>	<u>89,593</u>
At 30 September 2004	<u>66,300</u>	<u>58,500</u>	<u>407,021</u>	<u>91,950</u>
<b>H.A.G previously received set against cost or valuation:</b>				
At 30 September 2004	<u>-</u>	<u>-</u>	<u>52,111</u>	<u>360,994</u>
<b>NET BOOK VALUE</b>				
At 30 September 2005	<u>64,600</u>	<u>57,000</u>	<u>344,791</u>	<u>(271,401)</u>
At 30 September 2004	<u>66,300</u>	<u>58,500</u>	<u>354,910</u>	<u>(269,044)</u>

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2005**

**6. TANGIBLE FIXED ASSETS - continued**

	Improvements costs of 13,15,17 £	Fixtures and fittings £	Computer equipment £	Totals £
<b>NOTE OF HISTORICAL COST</b>				
Before re-valuation	451,669	72,514	1,497	1,377,527
Increase/(Decrease) in valuation	(41,926)	N/A	N/A	(109,894)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2004	<u>409,743</u>	<u>72,514</u>	<u>1,497</u>	<u>1,267,633</u>
<b>COST</b>				
At 1 October 2004	409,743	72,514	1,497	1,267,633
Additions	<u>-</u>	<u>6,122</u>	<u>-</u>	<u>6,122</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2005	<u>409,743</u>	<u>78,636</u>	<u>1,497</u>	<u>1,273,755</u>
<b>DEPRECIATION</b>				
At 1 October 2004	81,927	53,176	1,496	296,707
Charge for year	<u>8,195</u>	<u>3,942</u>	<u>-</u>	<u>27,813</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2005	<u>90,122</u>	<u>57,118</u>	<u>1,496</u>	<u>324,520</u>
<b>NET BOOK VALUE</b>				
At 30 September 2005	<u>319,621</u>	<u>21,518</u>	<u>1</u>	<u>949,235</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2004	<u>327,816</u>	<u>19,338</u>	<u>1</u>	<u>970,926</u>
<b>H.A.G previously received set against cost or valuation:</b>				
At 30 September 2004	<u>131,441</u>	<u>-</u>	<u>-</u>	<u>544,546</u>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>				
At 30 September 2005	<u>188,180</u>	<u>21,518</u>	<u>1</u>	<u>404,689</u>
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2004	<u>196,375</u>	<u>19,338</u>	<u>1</u>	<u>426,380</u>

All properties are housing held for letting.

The properties were collectively reviewed for impairment as a single income generating unit in the year ended 30 September 1993 resulting in a loss being charged to the income and expenditure account of £109,894.

The Housing Association Grant (H.A.G) may be repayable on a future disposal of the relevant property.

The properties of 13, 15 and 17 are secured by a charge of £1 for the benefit of The Housing Corporation.

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.9.05	30.9.04
	£	£
Other debtors	<u>7,419</u>	<u>6,606</u>

These notes form part of the financial statements

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 September 2005**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.9.05	30.9.04
	£	£
Trade creditors	4,997	3,978
Bank loans and overdrafts (see note 9)	-	3,836
Social security and other taxes	4,165	4,166
Other creditors	<u>3,025</u>	<u>2,761</u>
	<u>12,187</u>	<u>14,741</u>

**9. LOANS**

An analysis of the maturity of loans is given below:

	30.9.05	30.9.04
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>3,836</u>

**10. RESERVES**

	Revenue reserve	Restricted reserves	Totals
	£	£	£
At 1 October 2004	441,961	170,965	612,926
Deficit for the year	<u>(57,068)</u>	<u>-</u>	<u>(57,068)</u>
At 30 September 2005	<u>384,893</u>	<u>170,965</u>	<u>555,858</u>

The restricted reserve represents legacies received in July 1995 for the specific purpose of developing the properties of 9 and 11 Richmond Road.

**11. RECONCILIATION OF MOVEMENTS IN RESERVES**

	30.9.05	30.9.04
	£	£
Deficit for the financial year	<u>(57,068)</u>	<u>(72,283)</u>
Net reduction of reserves	(57,068)	(72,283)
Opening reserves	<u>612,926</u>	<u>685,209</u>
Closing reserves	<u>555,858</u>	<u>612,926</u>

**THE ABBEYFIELD BOGNOR REGIS SOCIETY**  
**LIMITED BY GUARANTEE**

**INCOME AND EXPENDITURE ACCOUNT**  
**For The Year Ended 30 September 2005**

	30.9.05		30.9.04	
	£	£	£	£
<b>Turnover</b>				
Chargeable to residents	342,818		334,881	
Donations	<u>1,050</u>		<u>580</u>	
		343,868		335,461
<b>Other income</b>				
Deposit account interest		<u>7,155</u>		<u>6,172</u>
		351,023		341,633
<b>Expenditure</b>				
Rates and water	7,398		4,532	
Affiliation fee - Abbeyfield Society	6,491		6,886	
Insurance	4,267		3,778	
Light and heat	13,865		12,276	
Wages	225,006		205,316	
Pensions	1,320		1,969	
Telephone	1,485		1,494	
Post and stationery	1,150		1,681	
Motor expenses	84		250	
Repairs & renewals	58,308		94,748	
Garden Maintenance	216		70	
Training & courses	1,050		1,967	
Provisions	39,100		37,145	
Household and cleaning	7,498		4,687	
Sundry expenses	6,162		3,540	
Accountancy	2,451		2,111	
Bookkeeping	1,548		1,469	
Auditors' remuneration	750		650	
Advertising	<u>1,427</u>		<u>1,194</u>	
		<u>379,576</u>		<u>385,763</u>
		(28,553)		(44,130)
<b>Finance costs</b>				
Bank charges		<u>702</u>		<u>678</u>
		(29,255)		(44,808)
<b>Depreciation</b>				
Freehold property	23,871		23,871	
Fixtures and fittings	3,942		3,230	
Computer equipment	<u>-</u>		<u>374</u>	
		<u>27,813</u>		<u>27,475</u>
<b>NET DEFICIT</b>		<u>(57,068)</u>		<u>(72,283)</u>