

Company No. 00737334
Registered Charity No. 230899
Housing Corporation No. H3295

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED
FINANCIAL STATEMENTS
Year to 31 March 2003



THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

FINANCIAL STATEMENTS

Year to 31 March 2003

CONTENTS

	Page
Trustees' annual report	1 - 5
Auditors' report	6
Income and expenditure account	7
Balance sheet	8
Cash flow statement	9
Accounting policies	10 - 11
Notes to the accounts	12 - 16

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

Trustees' Annual Report for the purposes of section 45 of the Charities Act 1993 and Directors' Report for the purposes of section 234 of the Companies Act 1985 for the year ended 31st March 2003

The trustees present their annual report on the affairs of the society, together with the accounts and auditors' report for the year ended 31st March 2003.

Legal and administrative information

(a) Name

The full name of the charity is The Abbeyfield (Lancaster) Society Limited.

(b) Constitution and governing legislation

The society is established as a limited company, without share capital, under the Companies Act 1985. Its operation is governed by its Memorandum and Articles of Association dated 8 October 1962. The company number is 737334.

The society is a registered charity (no. 230899) and a registered social landlord under the Housing Act 1996 (no H3295).

(c) Trustees

The trustees who served during the year were:

(i) Executive committee

The Lady Shuttleworth (President)
Mrs P. M. Proctor (resigned September 2002)
P. Rutherford (Treasurer)
J. Gilbert (Chairman)
Mrs A K Howson (Secretary)
Mrs E. Cole

Mr R A Dendy (resigned March 2003)
Dr. J. V. Dyer
A. J. Guy JP
Miss N. M. P. Leighton
E Phillips
Mrs M. Varey

All of the above-named also served on committees of the society during the year.

(ii) Other committees

The following, who did not serve on the Executive Committee during the year, served on committees:

Mrs P Gilbert
Mrs M. Hayton
P Mawby

Mrs J. Nicholson
Mrs E. Ritchie (resigned September 2002)
Mrs K. P. Sutton (resigned September 2002)

(d) Directors

The directors of the company during the year were:

J. Gilbert
Mrs P. M. Proctor (resigned September 2002)
P. Rutherford
Mrs A. K. Howson (from October 2002)

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

Trustees' annual report (continued)

Legal and administrative information (continued)

(e) Appointment of trustees

The appointment of trustees is governed by provisions contained within the society's Articles of Association. These are as follows:

- (i) At each annual general meeting one third of the members of the Executive Committee must retire and, if desired, stand for re-election. The trustees to retire are those longest in office since their last election.
- (ii) The society, at the annual general meeting, may fill the positions vacated by the retiring trustees by electing any persons thereto, or by re-electing the retiring members.
- (iii) The Executive Committee has the power to appoint any person to be a trustee either to fill a casual vacancy or in order to increase the number of trustees. Any trustee appointed in this way must retire at the following annual general meeting and stand for re-election, if desired, at that meeting.
- (iv) Any member of the society, qualified to attend and vote at the annual general meeting, is entitled to propose the appointment of a person to act as a trustee.
- (v) Appointments to the society's committees are made by the Executive Committee.

(f) Trustees' responsibilities

The trustees are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the society as at the end of the financial year and of the surplus or deficit of the society for that year. In preparing those accounts the trustees are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the accounts comply with all relevant legislation. 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.

(g) Registered office

The registered office of the society is Chirnside House, Abbeyfield Close, Scotforth, Lancaster, LA1 4NL.

(h) Secretary

The society's secretary is Mrs. A. K. Howson

(i) Professional advisers

- | | |
|------------------|---|
| (i) Bankers | Royal Bank of Scotland plc
2, New Street
Lancaster, LA1 1EG |
| (ii) Auditors | C L B
Fleet House
New Road
Lancaster, LA1 1EZ |
| (iii) Solicitors | Blackhurst Swainson
3/4 Aalborg Square
Lancaster, LA1 1GG |

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

Trustees' annual report (continued)

Legal and administrative information (continued)

Professional advisers (continued)

(iv) Architects	Harrison & Pitt Victoria Court Lancaster LA1 1XN
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(j) Specific restrictions on the society

(i) Clause 4 of the Memorandum of Association of the society stipulates that no income or property of the society shall be paid or transferred directly, or indirectly, by way of dividend, bonus or otherwise to the members of the society, except where the payment represents proper remuneration payable to any officer or servant or member of the society for services rendered to the society.

(ii) Clause 3 (r) of the Memorandum of Association prohibits the society from combining with other entities unless their objects are the same or similar and their constitutions contain similar restrictions to that of the society concerning the distribution of profits.

(k) Investment powers

The society is permitted by its Memorandum of Association to invest any funds not immediately required for its purposes in any investments, securities or property as may be thought fit. Funds subject to the jurisdiction of the Charity Commissioners may only be invested in such securities and with such sanction as may for the time being be prescribed by law.

Report on activities for the year

(a) Objects of the society

The society's principal objects, as set out in the Memorandum of Association are:

- (i) the relief of aged, impotent and poor people of all classes;
- (ii) the advancement of religion and education, and
- (iii) the pursuit of charitable activities beneficial to the community.

The society was established in 1962 and it has pursued the foregoing objects by establishing, managing and developing homes in the Lancaster District that cater for the needs of the elderly. Two types of home have been developed - the sheltered home and the registered residential care home. The society has two sheltered homes in Lancaster which cater for a total of 17 elderly residents. A housekeeper is resident at each of these homes, providing two meals per day to the residents. Residents are reasonably fit and independent and look after their own rooms. The society has one registered residential home which can cater for 26 residents. This home provides 24 hour care for the frail elderly and was purpose built in 1994. Fees payable by residents in the three homes are set by the Executive Committee each year at a level which does no more than cover the anticipated direct costs to be incurred in running the homes and any overheads relating to the general administration of the society.

There were no changes in the year in the policies adopted by the society in order to further its objects.

(b) Organisation of the society

The society is governed by its Executive Committee, consisting of not less than 3 nor more than 18 members, which meets 6 times per year. Certain detailed work is delegated as follows:

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

Trustees' annual report (continued)

Report on activities for the year (continued)

Organisation of the society (continued)

- (i) A budget meeting prepares the annual budget for approval by the Executive Committee.
- (ii) The Chirnside House Committee monitors the day to day operation of the registered residential care home. This committee meets monthly.
- (iii) The Very Sheltered Houses Committee, which also meets monthly except in August and December, monitors the operation of the two supportive homes.

The committees are assisted in their work by senior management, namely the housekeepers of the sheltered homes, the matron of the registered residential home and the bursar.

(c) Achievements in the year

The society continued with its work during the year the results of which confirm (a) the need for the services provided and (b) the success of the society's policies for achieving its objects. The occupancy level, a key indicator, averaged 88.0% (2002 - 93.3%), varying over the three properties from a low of 57.2% (2002 - 64.2%) to a high of 90.7% (2002 - 97.3%).

The refurbishment work at Bowerham Road was completed successfully with the provision of en-suite showers in two of the residents' rooms and the provision of wash-hand basins in all of the residents' rooms.

The introduction of the Care in the Community Act has resulted in lower than usual occupancy rates at both of the Very Sheltered Houses.

The Society gained the award of Investors In people from the Learning and Skills Council and, as a consequence, Chirnside House is now included on the Local Authority's Register of Quality Providers.

Chirnside House has met the National Care Standard Commission Requirements at level 3 and has already met the Training targets for 2005 set by the government.

(d) Voluntary assistance

The society depends considerably on the commitment and enthusiasm of its volunteers. All the management of the society, through the various committees, is undertaken by volunteers. Volunteers also provide significant time and effort in assisting with the day to day operation of the three homes.

(e) Review of financial position

The financial results for the year are as 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 surplus / (deficit) for the year and its allocation are as follows:

	2003	2002
	£	£
Operating deficit	(23,158)	(30,639)
Investment income, legacies and donations	12,793	31,777
(Deficit) / surplus on ordinary activities for the financial year	(10,365)	1,138

Allocation:

	Note		
Transfer (from) / to charitable capital expenditure reserve	12	(777)	17,319
Transfer from Swainson Bursary Fund	12	(123)	(1,375)
Transfer to future repairs reserve	12	10,800	10,800
Transfer from revenue reserve	13	(20,265)	(25,606)
		(10,365)	1,138

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

Trustees' annual report (continued)

Report on activities for the year (continued)

(e) Review of financial position (continued)

The main points arising from these accounts are as follows:

- (i) A deficit of £23,158 arose in the year from the operation of the three homes (2002 - deficit of £30,639).
- (ii) Residential charges received rose to £505,838 (2002 - £478,191), an increase of 5.8 per cent.
- (iii) Operational costs rose to £495,869 (2002 - £482,062), an increase of 2.9 per cent.
- (iv) The revenue reserves of the society decreased to £217,442 (2002 - £237,707).

The trustees consider the state of the affairs of the society to be satisfactory.

(f) Fixed assets

Movements in fixed assets in the year are shown in notes 5 and 6 to the accounts. Net capital expenditure of £11,473 took place in the year.

(g) Valuation of fixed assets

The trustees consider the market value of the society's fixed assets to be in excess of their current book values.

(h) Reserves

The unrestricted revenue reserves, not committed or invested in tangible fixed assets ("free reserves"), held by the society at 31 March 2003, amounted to £178,589. This equates to approximately 4 months of operating expenditure. This is in line with the current policy of the society which is to maintain free reserves at a level that equates to 3-6 months of operating expenditure. The reserves' policy is reviewed annually in order to take account of any changes in the environment in which the society operates.

(i) Future plans and commitments

It is hoped to expand the services the Society offers in the Residential care sector. This will include the provision, at Chirnside House, of three extra residential rooms, hairdressing facilities, extra storage facilities and a new office for the matron / manager.

Due to the fall in occupancy rates in the Very Sheltered Houses, it is the intention of the Society to close the Bowerham Road house and concentrate the provision of Very Sheltered accommodation at the Aldcliffe Road house, where, it is felt, the accommodation provided meets the increasingly higher standards expected by residents.

The society is committed to ensuring that the re-housing of the Bowerham Road residents is carried out sympathetically and, where possible, in accordance with their wishes. Every effort will be made to re-house the residents in alternative Abbeyfield accommodation.

(j) Investments

The society's investments (see note 9 to the accounts) comprise Government Stocks, purchased in accordance with the powers available to the trustees.

(k) Connected charities

The society is one of around 600 similar voluntary organisations which exist throughout the UK to provide assisted living for older people. Co - operation between these local societies is considerable although each retains its local autonomy. There is also an umbrella organisation, The Abbeyfield Society, of which the society is a member. The Abbeyfield Society represents the interests of all the local member societies at a national level and provides expertise and assistance if required. The address of The Abbeyfield Society is Abbeyfield House, 53, Victoria Street, St. Albans, Herts., AL1 3UW.

(l) Financial transactions with connected parties

During the year the society incurred fees of £9,586 (2002 - £9,418) in respect of its membership of, and affiliation to, The Abbeyfield Society.

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

Trustees' annual report (continued)

Report on activities for the year (continued)

(m) Risk management

The trustees have assessed the major risks to which the society is exposed, in particular those related to the operations and finances of the society, and are satisfied that systems are in place to mitigate exposure to the major risks.

(n) Auditors

A resolution will be proposed at the Annual General Meeting to re-appoint the auditors, C L B.

(o) Statutory compliance

The trustees' report and the attached accounts comply with the current statutory requirements and with the requirements of the Memorandum and Articles of Association.

Approved by the Executive Committee

Acthwa

Secretary and trustee

14-07-03

Date

INDEPENDENT AUDITORS' REPORT

To the members of The Abbeyfield (Lancaster) Society Limited

We have audited the financial statements on pages 8 to 17 which have been prepared under the historical cost convention and accounting policies set out on pages 11 & 12.

This report is made solely to the company's members, as a body, in accordance with Section 225 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As described on page 2 the trustees are responsible for the preparation of the financial statements. 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, Part III of Schedule 1 to 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 Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all of the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

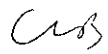
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes an examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the executive committee members 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 accounts 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 society's affairs at 31st March 2003, and of its income and expenditure and cash flows for the year then ended and have been properly prepared in accordance with the requirements of the Companies Act 1985, Part III of Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000.

Lancaster
14 July 2003


CLB
Chartered Accountants
Registered Auditors

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

Year to 31 March 2003

	Note	2003 £	2002 £
Turnover	1	505,838	478,191
Operating costs	2	(528,996)	(508,830)
Operating deficit		(23,158)	(30,639)
Interest receivable and other income	4	12,793	31,777
(Deficit) / surplus on ordinary activities for the financial year		(10,365)	1,138
Transfers to designated reserves	12	(9,900)	(26,744)
Net deficit transferred to revenue reserve		(20,265)	(25,606)
Revenue reserve brought forward		237,707	263,313
Revenue reserve carried forward		217,442	237,707

Continuing operations

None of the society's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

(Deficit) / surplus for the year	(10,365)	1,138
Unrealised surplus / (deficit) on investments	340	(650)
Total recognised (deficits) / surpluses for the year	(10,025)	488

Approved by the Executive Committee

J. Gilbert Director and chairman

H. Turner Director and treasurer

A. Hume Director and secretary

14-07-03 Date

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

BALANCE SHEET

As at 31 March 2003

	Note	2003 £	2002 £
Tangible fixed assets			
Housing properties - gross cost less depreciation		1,798,220	1,798,997
Housing association grant		(1,384,701)	(1,384,701)
	5	413,519	414,296
Fixtures, fittings and equipment	6	38,853	49,377
		452,372	463,673
Current assets			
Stocks	7	1,419	1,665
Debtors and prepayments	8	22,254	19,806
Investments	9	24,226	23,886
Cash at bank and in hand	10	327,656	334,501
		375,555	379,858
Creditors: amounts falling due within one year	11	20,328	25,907
Net current assets		355,227	353,951
Total assets less current liabilities		807,599	817,624
Capital and reserves			
Designated reserves	12	588,227	578,327
Revenue reserve	13	217,442	237,707
Investment revaluation reserve	14	1,930	1,590
		807,599	817,624

Approved by the Executive Committee

J. Gilbert

Director and chairman

R. Rutherford

Director and treasurer

A. Hume

Director and secretary

14-07-03

Date

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

CASHFLOW STATEMENT

Year to 31 March 2003

	Note	2003 £	2002 £
Reconciliation of operating profit to net cash inflow from operating activities:			
Operating deficit		(23,158)	(30,639)
Depreciation of tangible fixed assets		22,774	22,862
(Decrease) / increase in stocks		246	(673)
(Increase) / decrease in debtors		(2,448)	8,984
Decrease in creditors		(5,579)	(21,812)
Net cash outflow from operating activities		(8,165)	(21,278)
Cash flow statement			
Net cash outflow from operating activities		(8,165)	(21,278)
Returns on investments and servicing of finance	1	12,793	33,879
Capital expenditure and financial investment	2	(11,473)	(38,914)
Decrease in cash at bank and in hand		(6,845)	(26,313)

Notes to the Cash Flow Statement

1. Returns on investments and servicing of finance

Interest received, donations, legacies and other income	12,793	33,879
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2. Capital expenditure and financial investment

Purchase of other fixed assets	11,473	38,914
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THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

ACCOUNTING POLICIES

Year to 31 March 2003

Accounting basis

These financial statements have been prepared under the historical cost convention and in accordance with:

- (a) applicable financial reporting standards in the United Kingdom;
 - (b) the statement of recommended practice issued by the National Federation of Housing Associations;
 - (c) the Accounting Requirements for Registered Social Landlords General Determination 2000.
-

Turnover

Turnover comprises rental and service income receivable.

Monetary donations

Monetary donations to the society are credited to the income and expenditure account on a receipts basis.

Fixed assets: housing land and buildings

a) The cost of housing land and buildings includes the following:

- i) the cost of acquiring land and buildings;
- ii) development expenditure;
- iii) interest payable on the expenditure incurred up to the date of practical completion.

b) Schemes are classified in the relevant note as being 'completed' or 'under construction'. Schemes are transferred to completed schemes at the time of completion.

Social Housing Grants

Social Housing Grant (SHG) is paid by the Housing Corporation to reduce the cost of developments and is shown as a deduction from the net book value of housing properties on the balance sheet. SHG is repayable under certain circumstances, primarily following the sale of a property, but any repayment will normally be restricted to the net proceeds of sale of the property. Any liability for the repayment of SHG is provided for where the property concerned is expected to be sold in the foreseeable future. This treatment of SHG is in accordance with the Statement of Recommended Practice (the SORP) issued by the National Federation of Housing Associations but represents a departure from the requirement of the Companies Act 1985 that fixed assets are to be stated at purchase price or production cost. SHG is paid to Registered Social Landlords (RSLs) to subsidise capital costs incurred in the provision of affordable housing and the resulting net cost is approximately equal to the economic value of the property in its designated use. In order to reflect this situation and present a true and fair view it is considered that the SORP treatment is more appropriate than that laid down by the Companies Act 1985.

Depreciation

1. Housing properties - SHG assisted schemes and non SHG assisted schemes.

- (i) Depreciation, as defined in (ii) and (iii) below, is provided on the cost of freehold land and buildings.
- (ii) Depreciation is not charged on that portion of the cost which has qualified, or which will qualify, for SHG.
- (iii) For that portion of the cost financed by borrowings or from the society's own or other charitable resources a charge is made to the income and expenditure account for depreciation on buildings at 2% per annum on such cost.

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

ACCOUNTING POLICIES

Year to 31 March 2003

Depreciation (continued)

2. Other fixed assets

Depreciation of all other fixed assets has been calculated using the straight line method. The annual rates used are as follows:

Fixtures, fittings and equipment	10%
Office equipment	15%

Designated reserves

Reserves which are earmarked for designated uses are included within these accounts. Further details are shown in note 12 to these accounts.

Corporation tax and value added tax

The society has charitable status and is exempt from corporation tax on the income it has received.

The society is not registered for VAT. Accordingly no VAT is charged to residents and expenses in the income and expenditure account are inclusive of VAT.

Pensions

The society contributes to defined contribution schemes for selected employees. The charge each year represents the contributions payable to the schemes in respect of the accounting year. Details of the charge for the year are shown in note 3 to the accounts.

Stock

Stocks are valued at the lower of cost and net realisable value.

Current asset investments

Investments held as current assets are revalued at their market value at the balance sheet date and the gain or loss is taken to the Statement of Total Recognised Gains and Losses.

Liquid resources

The society considers its liquid resources to be cash at the society's bank and building society together with any cash in hand.

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

NOTES TO THE ACCOUNTS

Year to 31 March 2003

	2003 £	2002 £
1. Income from lettings		
Special needs accommodation - rents	572,722	508,985
Losses arising from vacancies	(66,884)	(30,794)
	505,838	478,191
2. Operating costs		
Administrative costs	33,127	26,768
Costs attributable to properties	495,869	482,062
	528,996	508,830
Operating costs are inclusive of the following:		
Auditors' remuneration: as auditors	1,774	1,700
Auditors' remuneration: non - audit	2,111	1,974
Depreciation of tangible fixed assets	22,774	22,862
Bad debts	599	-
3. Employee information		
The average weekly number of full time equivalent employees during the year was:		
Administration	1	1
Hostel staff	25	25
	26	26
Staff costs for the year were:		
Wages and salaries	332,638	318,334
Social security costs	17,468	16,305
Other pension costs	4,618	5,006
	354,724	339,645
4. Interest receivable and other income		
Building society interest	85	109
Treasury stock interest (gross)	1,553	1,553
Bank interest (gross)	10,431	14,492
Donations and legacies	724	15,603
Sundry income	-	20
	12,793	31,777

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

NOTES TO THE ACCOUNTS

Year to 31 March 2003

5. Housing land and buildings

SHG assisted schemes - freehold

	2003	2002
	£	£
Cost - completed schemes		
At 1 April 2002	507,485	507,485
Additions	9,564	-
At 31 March 2003	517,049	507,485
Depreciation		
At 1 April 2002	93,189	83,039
Charge for the year	10,341	10,150
At 31 March 2003	103,530	93,189
Net book value	413,519	414,296
Cost at 31 March 2003 is represented by:		
Gross cost	1,901,750	1,892,186
Less: SHG	(1,384,701)	(1,384,701)
	517,049	507,485

6. Fixed assets

Fixtures, fittings & office equipment

	2003	2002
	£	£
Cost		
At 1 April 2002	146,013	134,568
Additions	1,909	11,445
Disposals	-	-
At 31 March 2003	147,922	146,013
Depreciation		
At 1 April 2002	96,636	83,924
Disposals	-	-
Charge for the year	12,433	12,712
At 31 March 2003	109,069	96,636
Net book value	38,853	49,377

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

NOTES TO THE ACCOUNTS

Year to 31 March 2003

	2003 £	2002 £
7. Stock		
Food	1,080	814
Cleaning materials	339	851
	1,419	1,665
8. Debtors		
Residents' fees	7,204	2,691
Prepayments	5,356	4,986
Accrued investment income	9,694	12,129
	22,254	19,806
9. Investments		
Investments listed on UK stock exchange		
Market value / cost at 1st April 2002	23,886	24,536
Additions	-	-
Disposals	-	-
Revaluation in the year	340	(650)
Market value at 31 March 2003	24,226	23,886
Cost at 31 March 2003	22,296	22,296
10. Cash at bank and in hand		
Bank deposit accounts	313,791	322,839
Bank current accounts	4,081	1,861
Building society account	9,109	9,109
Cash in hand	675	692
	327,656	334,501
11. Creditors		
Amounts falling due within one year:		
Bank overdraft	-	3,518
Trade creditors	-	854
Sundry creditors and accruals	19,848	21,155
Staff fund	480	380
	20,328	25,907

The average number of days between the receipt and payment of purchase invoices is 14.

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

NOTES TO THE ACCOUNTS

Year to 31 March 2003

				2003 £	2002 £
12. Designated reserves	Swainson Bursary Fund £	Repairs reserve £	Charitable capital expenditure reserve £	Total £	2002 £
Balance at 1 April 2002	60,201	103,830	414,296	578,327	549,481
Donations received	-			-	2,102
Transfers from / (to) revenue reserve	(123)	10,800	(777)	9,900	26,744
Balance at 31 March 2003	60,078	114,630	413,519	588,227	578,327

i) Swainson Bursary Fund

This reserve reflects donations and legacies received the income from which is used to assist residents who are unable to meet the full cost of their accommodation.

The reserve balance at 31 March 2003 has been calculated as follows:

	£
Reserve balance at 1 April 2002	60,201
Donations received in the year	-
Interest received - treasury stocks, building society and bank	2,313
	<u>62,514</u>
Less: contributions to fees in the year	2,436
Reserve balance at 31 March 2003	<u>60,078</u>

The year end balance consists of:

Swainson Bursary Capital - restricted	9,109
Swainson Bursary Capital - unrestricted	46,814
Balance of income account - unrestricted	4,155
	<u>60,078</u>

ii) Repairs reserve

This reserve represents an amount set aside to carry out future major repairs on completed housing properties. The annual transfer has been assessed by the society in the light of the current condition of its properties, the probable expenditure required in the foreseeable future, and the availability of grants for such work.

iii) Charitable capital expenditure reserve

This represents that portion of the cost of the society's properties which has been financed by charitable donations.

THE ABBEYFIELD (LANCASTER) SOCIETY LIMITED

NOTES TO THE ACCOUNTS

Year to 31 March 2003

	2003 £	2002 £
13. Revenue reserve		
Revenue reserve at 1 April 2002	237,707	263,313
(Deficit) / surplus for the year	(10,365)	1,138
	227,342	264,451
Transfers to designated reserves (note 12)	(9,900)	(26,744)
	217,442	237,707
Revenue reserve at 31 March 2003		
14. Investment revaluation reserve		
Investment revaluation reserve at 1 April 2002	1,590	2,240
Revaluation surplus / (deficit) in year	340	(650)
	1,930	1,590
Investment revaluation reserve at 31 March 2003		
15. Members		
There is no authorised share capital and the number of members, each of whose liability is limited to £1, at the year end was:	26	26
No one person has overall control.		
16. Operating costs from lettings		
Special needs accommodation - 43 units (2002 - 43 units)		
Services	466,373	452,054
Management	33,127	26,768
Routine maintenance	29,496	30,008
	528,996	508,830
17. Payments to committee members		
Expenses paid to executive committee members	359	768
Expenses paid to other committee members	-	33
Expenses paid to directors	422	694
	781	1,495