

REGISTERED COMPANY NUMBER: 0738023 (England and Wales)  
REGISTERED CHARITY NUMBER: 220392  
TENANT SERVICE AUTHORITY NUMBER HO374

**REPORT OF THE EXECUTIVE COMMITTEE AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**  
**FOR**  
**ABBNEYFIELD SOLENT SOCIETY LIMITED**

SATURDAY



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24/05/2014

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COMPANIES HOUSE

Leonard Gold Chartered Accountants  
Registered Auditors  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

**ABBNEYFIELD SOLENT SOCIETY LIMITED**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

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**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**REPORT OF THE EXECUTIVE COMMITTEE**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

The Executive Committee who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2013. The Executive Committee have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

0738023 (England and Wales)

**Registered Charity number**

220392

**Tenant Service Authority number**

HO374

**Registered office**

50 St Edwards Road  
Southsea  
Hampshire  
PO5 3DJ

**Executive Committee**

H Braunton - resigned 23rd October 2013

Mrs E Bell

T Biddle

M. Mitchell

Mrs C Rodwell - appointed 23<sup>rd</sup> October 2013

**President**

Harry Braunton

**Senior Statutory Auditor**

Mrs Julie Watts

**Auditors**

Leonard Gold  
Statutory Auditor  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

**Bankers**

Barclays Bank Plc  
90 Osborne Road  
Southsea  
Portsmouth  
Hampshire  
PO5 3LW

## **ABBNEYFIELD SOLENT SOCIETY LIMITED**

### **REPORT OF THE EXECUTIVE COMMITTEE** **FOR THE YEAR ENDED 31 DECEMBER 2013**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

Abbeyfield Solent Society Limited is a company limited by guarantee, having no share capital, governed by its Memorandum and Articles of Association. The company was incorporated on 17 October 1962. It registered as a charity on 5 December 1963 with the Charity Commission and also as a Housing Association with the Housing Corporation. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

##### **Recruitment and appointment of new committee members**

A nomination for election as an ordinary member of the Executive Committee may be put forward

- a) by the Executive Committee; or
- b) if accompanied by a signed statement from the nominee that he/she is willing to act as such, by at least two of members the Society who are entitled to vote.

Mrs Rodwell and M Mitchell offer themselves for re-election at the Annual General Meeting.

##### **Induction and training of new committee members**

New committee members undergo an orientation period to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making and processes and the recent financial performance of the charity. During the induction period they meet key employees and other committee members. Committee members are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

##### **Organisational structure**

The executive committee, which can have between 3 and 18 members, administers the charity. The Trustees have appointed an Administrator to manage the day to day operations of the Society, under the supervision of the Executive Committee. The Trustees have delegated authority of operational matters to the administration staff.

##### **Risk management**

The Executive Committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The objects of the charity shall be to carry on for the benefit of the community the provision and management for the relief and care of elderly persons of all classes suffering from the disabilities of old age or otherwise being in need, of housing for letting and not for sale and/or hostels. And in furtherance of this object but not otherwise the charity may

- (i) provide land or buildings for purposes connected with the requirements of the elderly persons occupying the houses of hostels provided or managed by the charity; and
- (ii) provide amenities or services for the benefit of such persons either exclusively or together with other persons.

The charity shall have the power to do all the things necessary or expedient for the fulfilment of its objects, and in doing so shall use its best endeavours to observe and fulfil the Guiding Principles of the Abbeyfield movement.

## **ABBNEYFIELD SOLENT SOCIETY LIMITED**

### **REPORT OF THE EXECUTIVE COMMITTEE** **FOR THE YEAR ENDED 31 DECEMBER 2013**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Investment performance**

Under the Memorandum and Articles of Association, the charity has the power to make any investments that the executive committee sees fit.

#### **FINANCIAL REVIEW**

The 2013 year saw a continuing recovery for the Society. A new committee member joined the Board and the Board continued to review property and management and implement changes were necessary.

The implementation of an active programme for recruitment of new residents coupled with a return to traditional forms of advertising produced a decline in the number of vacancies and a month on month income surplus was secured in our reserve savings.

The review of all the properties undertaken in 2012 to consider their suitability for the long term aims of the Society revealed some properties are approaching the end of their useful life whilst others were acceptable for now but had potential to expand or be rebuilt considering the extensive garden and that of its neighbouring properties. As a result of this review, Harlyn House was closed and contracts were exchanged prior to the year end, with completion in January 2014. The gain on the disposal of this asset held for the charity's own use was £137,334. The Executive is now seeking consent to rebuild another of our properties.

Works at Jane Gillitt house to bring the unused wing into commission have been completed, and the apartments are all occupied. This work was carried out with funding from a Trust together with funds from our accumulated reserves.

Our general manager and her staff in both the office and the Houses have continued to maintain our very high standards of care for the elderly and the Executive thank all for their efforts.

It is with regret that our Chairman Harry Braunton decided to retire during the year, but we are pleased that he has consented to become the President of the Society.

By the year end a surplus of income over expenditure had been achieved and resulted in an unrestricted funds operating surplus for the year of £31,770 (£169,104 minus the £137,334 gain on the disposal of the fixed asset), which represents 6% of total unrestricted income, which exceeds national guidelines. Although unrestricted reserves are still comparatively low, we are confident the new management team are achieving their targets and are very proactive in ensuring the success of 2013 is built on and increased during the coming years.

#### **Public Benefit**

Abbeyfield Solent's Trustees regularly monitor and review the success of the organisation in meeting its key objectives. The Trustees have considered the Charity Commission's guidance on public benefit and are satisfied that the charity's aims, and its activities carried out in pursuit of those aims, are for the public benefit. A proportion of our residents receive state funding to assist with their fees.

#### **Reserves policy**

There were three designated reserves at the start of the year. The purposes of these reserves are detailed in note 15 to the financial statements.

#### **STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES**

The Executive Committee (who are also directors of The Abbeyfield Solent Society Limited for the purposes of company law) are responsible for preparing the Report of the Executive Committee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**REPORT OF THE EXECUTIVE COMMITTEE**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

Company law requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Executive Committee are required to

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

The Executive Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the Executive Committee are aware:

- there is no relevant information of which the charitable company's auditors are unaware; and
- the executive committee member have taken all steps that they ought to have taken to make themselves aware of any audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Leonard Gold Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
Mrs E Bell - Chairperson

Date: 23 April 2014

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**ABBNEYFIELD SOLENT SOCIETY LIMITED**

We have audited the financial statements of Abbeyfield Solent Society Limited for the year ended 31 December 2013 on pages seven to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the executive committee and auditors**

As explained more fully in the Statement of Executive Committee Responsibilities, the Executive Committee members (who are also the directors of the charitable company 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 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the executive committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements 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**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2013 and of its incoming resources and application of resources, including 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, schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**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, 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 executive committee 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 members were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Executive Committee.

*Leonard Gold*

Mrs J D Watts (Senior Statutory Auditor)  
for and on behalf of Leonard Gold  
Registered Auditors  
Chartered Accountants  
24 Landport Terrace  
Portsmouth  
Hampshire  
PO1 2RG

Date: 22 May 2014



**ABBNEYFIELD SOLENT SOCIETY LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	Unrestricted Funds General £	Designated Funds £	Restricted Funds £	Endowment Funds Restricted £	2013 Total Funds £	2012 Total Funds £
<b>INCOMING RESOURCES</b>							
<b>Incoming resources from generated funds</b>							
Voluntary income	2	1,750	-	-	-	1,750	50,907
Investment income	3	20	-	-	-	20	7
<b>Incoming resources from charitable activities</b>							
	4						
<b>Residents Accommodation</b>		530,379	-	-	-	530,379	507,554
<b>Other incoming resources</b>		299,671	(162,337)	-	-	137,334	-
<b>Total incoming resources</b>		831,820	(162,337)	-	-	669,483	558,468
<b>RESOURCES EXPENDED</b>							
Charitable activities	5	479,594	-	-	-	479,594	458,649
Governance costs	6	20,785	-	-	-	20,785	19,004
<b>Total resources expended</b>		500,379	-	-	-	500,379	477,653
<b>NET (OUTGOING) RESOURCES before transfers</b>		331,441	(162,337)	-	-	169,104	80,815
<b>Gross transfers between funds</b>	15	(45,566)	-	(50,000)	95,566	-	-
<b>Net incoming/(outgoing) Resources before other recognised gains</b>		285,875	(162,337)	(50,000)	95,566	169,104	80,815
<b>Other recognised gains</b>							
<b>Net movement in funds</b>		285,875	(162,337)	(50,000)	95,566	169,104	80,815
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought Forward		564,835	1,558,623	50,000	584,697	2,758,155	2,677,340
<b>TOTAL FUNDS CARRIED FORWARD</b>		850,710	1,396,286	-	680,263	2,927,259	2,758,155

The notes form part of these financial statements

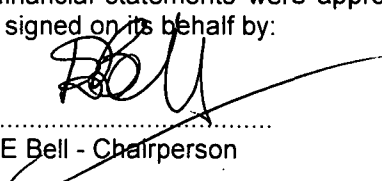
**ABBNEYFIELD SOLENT SOCIETY LIMITED**

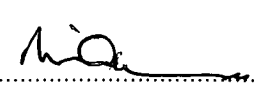
**BALANCE SHEET**  
**AT 31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	10	2,536,579	2,745,485
		<u>2,536,579</u>	<u>2,745,485</u>
<b>CURRENT ASSETS</b>			
Stocks		1,264	1,400
Debtors: amounts falling due within one year 11		425,293	40,496
Cash at bank and in hand		<u>43,938</u>	<u>55,314</u>
		470,495	97,210
<b>CREDITORS</b>			
Amounts falling due within one year	12	(57,288)	(52,957)
<b>NET CURRENT ASSETS</b>		<u>413,187</u>	<u>44,253</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,949,786	2,789,738
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(22,527)	(31,583)
<b>NET ASSETS</b>		<u>2,927,259</u>	<u>2,758,155</u>
<b>FUNDS</b>	15		
Unrestricted funds		2,246,996	2,123,458
Restricted funds		-	50,000
Endowment funds		<u>680,263</u>	<u>584,697</u>
<b>TOTAL FUNDS</b>		<u>2,927,259</u>	<u>2,758,155</u>

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

The financial statements were approved by the Executive Committee on 23 April 2014 and were signed on its behalf by:

  
.....  
Mrs E Bell - Chairperson

  
.....  
Michael Mitchell – Committee Member

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The Charity is registered with the Charity Commission and is also registered under the Housing Act 1996.

The financial statements have been prepared in accordance with the United Kingdom financial reporting standards, the Statement of Recommended Practice: Accounting by Registered Social Landlords 2008 and with the Accounting Requirements for Registered Social Landlords General Determination 2006 and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets.

The charity has taken advantage of the exemption in FRS1 and under the Accountancy requirements for Registered Social Landlords General Determination 1996 from the requirement to prepare a cash flow statement on the grounds that it is a small company and has fewer than 500 units to rent.

**Incoming resources**

Income from charitable activities represents rental income and is recognised on a receivable basis.

Voluntary income including donations and legacies that are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

**Resources expended**

Expenditure is accounted for on an accruals basis. All resources expended are classified under headings that aggregate all costs related to that category. VAT is charged to those costs as this cannot be recovered.

- Charitable activities include expenditure associated with the running of the charity's houses.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

**Tangible assets**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:-

Fixtures, Fittings and Equipment – 10-100% on cost depending on the assets expected life.

Freehold property – The Charity has a policy of upgrading its properties to a standard that would increase the properties residual value, so that a depreciation charge is inappropriate.

The above policy is adopted in accordance with the Statement of Recommended Practice (Accounting by Registered Housing Associations) so that the financial statements show a true and fair view of the state of charity's affairs, even though this is a departure from the requirements of the Companies Act 2006.

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES – continued**

Social Housing Grants - where developments have been financed wholly or partly by housing association grants the cost of those developments has been reduced by the grant receivable. Whilst SHG has been treated as a grant it is repayable under certain circumstances, primarily following the sale of a property, but the repayment is often restricted to the net proceeds of the sale.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the executive committee.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Permanent Endowment Fund is restricted and represents the property known as Jane Gillitt in Southsea which is occupied by the charity. The charity is entitled to the income but the property is owned by The Jane Gillitt Home Trust, a uniting direction dated 23 March 2005 is in place.

**Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**Pensions**

A stakeholder pension scheme has been set up for the Society's employees, although at present no employees have become members.

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**2. VOLUNTARY INCOME**

	2013 £	2012 £
Donations	1,750	50,907
	<u>1,750</u>	<u>50,907</u>

**3. INVESTMENT INCOME**

	2013 £	2012 £
Deposit account interest	<u>20</u>	<u>7</u>

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	2013 £	2012 £
Resident charges	<u>529,879</u>	<u>507,554</u>

**5. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2013 £	2012 £
Staff costs	241,480	230,649
Rates	13,416	13,501
Insurance	8,303	7,677
Light, heat and water	55,550	50,081
Telephone	5,706	5,281
Postage, stationery and advertising	6,166	9,006
Sundries	4,830	3,936
Training costs	2,437	-
Gold Star expenses	3,613	-
Food and household expenses	54,331	55,238
Office Accountant	6,204	8,156
Executive Committee mileage	1,568	1,982
Repairs	66,098	59,451
Depreciation and loss on disposal of assets	9,892	13,691
	<u>479,594</u>	<u>458,649</u>

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**6. GOVERNANCE COSTS**

	2013	2012
	£	£
Auditors' remuneration	5,000	4,000
Bank charges	734	1,492
Affiliation fees	13,249	11,312
Mortgage interest	<u>1,802</u>	<u>2,200</u>
	<u>20,785</u>	<u>19,004</u>

**7. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	2013	2012
	£	£
Auditors' remuneration	5,000	4,000
Depreciation - owned assets	<u>9,892</u>	<u>13,691</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2013 nor for the year ended 31 December 2012.

**Trustees' Expenses**

Expenses were reimbursed to the committee members of £1,568 for mileage (£1,982 in 2012).

**9. STAFF COSTS**

	2013	2012
	£	£
Wages and salaries	228,723	218,634
Social security costs	<u>12,757</u>	<u>12,015</u>
	<u>241,480</u>	<u>230,649</u>

No employee earns above £60,000.

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**10. TANGIBLE FIXED ASSETS**

	Property improvements under construction £	Freehold property £	Fixtures and fittings £	Totals £
<b>COST/VALUATION</b>				
At 1 January 2013	34,958	3,000,000	154,947	3,189,905
Additions	60,608	-	13,064	73,672
Disposals	-	(300,000)	(12,884)	(312,884)
Transfer	(95,566)	95,566	-	-
At 31 December 2013	-	2,795,566	155,127	2,950,693
	-	(321,876)	(2,370)	(324,246)
	-	28,709	-	28,709
	-	2,502,399	152,757	2,655,756
<b>DEPRECIATION</b>				
At 1 January 2013	-	-	120,174	120,174
Charge for the year	-	-	9,892	9,892
Eliminated on disposal	-	-	(11,489)	(11,489)
At 31 December 2013	-	-	118,577	118,577
<b>NET BOOK VALUE</b>				
At 31 December 2013	-	2,502,399	34,180	2,536,579
At 31 December 2012	34,958	2,678,124	32,403	2,745,485

The properties were revalued during 2006 by Veness, Chartered Surveyor, with the valuation being on the basis of current existing use. A revaluation was due in 2011, the Trustees took the decision that the cost of a full professional valuation would exceed the benefit for the charity and therefore no professional revaluation was carried out. The Trustees have considered the property values at 31 December 2013 and have completed their own property revaluation, believing that there has been no change from 2011 apart from the property additions since that date which are included at cost. The Trustees believe that their combined experience of building residential and commercial properties gives them the knowledge to complete the valuation.

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

	2013 £	2012 £
Prepayments and other debtors	425,293	40,496
	<u>425,293</u>	<u>40,496</u>

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

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

	2013 £	2012 £
Bank overdraft and mortgages	9,033	9,033
Social security and other taxes	3,567	4,087
Trade creditors	26,771	16,498
Accrued expenses	<u>17,917</u>	<u>23,339</u>
	<u>57,288</u>	<u>52,957</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2013 £	2012 £
Mortgages	<u>22,527</u>	<u>31,583</u>

The mortgages are secured by a charge on the appropriate freehold land and buildings. All mortgages are repayment mortgages at a variable rate of interest determined by market rates.

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Restricted Funds	Endowment funds	2013 Total Funds	2012 Total Funds
	£	£	£	£	£
Fixed assets	1,856,316	-	680,263	2,536,579	2,745,485
Current assets	470,495	-	-	470,495	97,210
Current liabilities	(57,288)	-	-	(57,288)	(52,957)
Long term liabilities	<u>(22,527)</u>	<u>-</u>	<u>-</u>	<u>(22,527)</u>	<u>(31,583)</u>
	<u>2,246,996</u>	<u>-</u>	<u>680,263</u>	<u>2,927,259</u>	<u>2,758,155</u>



**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**15. MOVEMENT IN FUNDS**

	At 1.1.13 £	Net movement in funds £	Transfers between funds £	At 31.12.13 £
<b>Unrestricted funds</b>				
General fund	564,835	331,441	(45,566)	850,710
<b>Restricted fund</b>	50,000	-	(50,000)	-
<b>Designated funds</b>				
Revaluation Reserve Fund	1,558,623	(162,337)	-	1,396,286
	<u>2,173,458</u>	<u>169,104</u>	<u>(95,566)</u>	<u>2,246,996</u>
 <b>Endowment funds</b>				
<b>Designated funds</b>				
Permanent Endowment Revaluation Reserve Fund	556,046	-	-	556,046
Permanent Endowment Property Equity Fund	28,651	-	95,566	124,217
	<u>584,697</u>	<u>-</u>	<u>95,566</u>	<u>680,263</u>
 <b>TOTAL FUNDS</b>	<u>2,758,155</u>	<u>169,104</u>	<u>-</u>	<u>2,927,259</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	831,820	(500,379)	331,441
Restricted Fund			
	<u>831,820</u>	<u>(500,379)</u>	<u>331,441</u>
 <b>Endowment funds</b>			
Permanent Endowment Fund	-	-	-
Permanent Endowment Revaluation Reserve Fund	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
 <b>TOTAL FUNDS</b>	<u>831,820</u>	<u>(500,379)</u>	<u>331,441</u>

**ABBNEYFIELD SOLENT SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

Purpose of funds:-

**Revaluation reserve**

The revaluation reserve is required by the Companies Act 2006 and represents the amount by which the Charity's properties exceed their historical cost.

**Restricted fund**

This represents a donation by the Margaret Fisher Will Trust which was used during the year to improve part of the Jane Gillitt property.

**Permanent endowment fund**

This fund represents the capital value of the Jane Gillitt property as the charity is entitled to use the income it generates but are not entitled to the capital. This fund is split between the property equity fund which represents the original cost of the property including property additions and the revaluation fund which shows the revalued element.

**16. CONTINGENT LIABILITIES**

The property purchased at West Street, Havant in 2008 does have a clawback clause in favour of Abbeyfield UK. If the charity sells the property in the first five years of ownership, depending on the length of time owned the charity will need to pay Abbeyfield UK a percentage of the sale proceeds, ranging from 80% in year one down to 20% in year five. This clawback clause finished in February 2013.