

ABBNEYFIELD LOUGHTON SOCIETY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2015

Registered Number: 758621

Registered Charity Number: 227729

FRIDAY



A47YRQE0

A09

22/05/2015

#268

COMPANIES HOUSE

ABBNEYFIELD LOUGHTON SOCIETY LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

INDEX

Page Number

1 - 3	-	Directors' report
4	-	Examiners' report
5	-	Statement of financial activities
6	-	Balance sheet
7-10	-	Notes to the financial statements

For the information of the directors

11	-	Detailed income and expenditure account
----	---	---

ABBNEYFIELD LOUGHTON SOCIETY LIMITED

DIRECTORS AND TRUSTEES:

C J Rawlinson
P F Bundock (Secretary)
M Farnsworth (Chairman & Treasurer)
L Richards
C M Franklin
G Varughese
P Medway

SECRETARY:

P F Bundock

PRESIDENT:

J Kennedy

ACCOUNTANTS:

Sterlings Accountancy Solutions Ltd
111 High Street
Billericay
Essex
CM12 9AJ

BANKERS:

Barclays Bank plc
Woodford Broadway
33 The Broadway
Woodford Green
Essex
IG8 0HJ

REGISTERED OFFICE:

121 High Road
Loughton
Essex
IG10 4LT

INVESTMENT MANAGERS:

CCLA Investment Management Limited
COIF Charity Funds
80 Cheapside
London EC2V 6DZ

Jupiter Unit Trust Managers Limited
1 Grosvenor Place
London SW1X 7JJ

ABBEYFIELD LOUGHTON SOCIETY LIMITED**DIRECTORS' REPORT**

The directors present their annual report and the financial statements for the year ended 31st March 2015. This also represents the Trustees Report which is required by Part VI of the Charities Act 1993.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities 2005 (revised 2008) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Structure, Governance & Management

The Society is constituted by its Memorandum and Articles dated 24th April 1963 registered under the Companies Act 2006 (number 758621). It is also a registered charity (number 227729). The accounts have, therefore, been prepared to comply with the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and revised in May 2008. The Society is an affiliated member of The Abbeyfield Society.

The Society is a company limited by guarantee not having any share capital. Each member guarantees to contribute £1 towards the liabilities and costs on winding up.

The directors of the charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

C J Rawlinson
P F Bundock
M Farnsworth
L Richards
C M Franklin
G Varughese
P Medway

Recruitment and Appointment

Potential new trustees are recruited in one of two ways. Either the trustees approach someone who they think may be interested and have time to commit to the organisation, or an interested, informed person approaches an executive committee member with a view to joining the committee.

The committee would then formally discuss the applicant's merits and skill sets. Following a formal screening process and a police check, if the committee consider that the applicant would enhance the committee's work, he or she is formally elected.

Induction and Training of Trustees

The charity has a formal induction pack which it gives to all new trustees. This explains to the trustees the duties and responsibilities of the office.

The charity requires trustees and staff to attend mandatory, regular training courses on a variety of topics.

The trustees form The Executive Committee of the Society and are responsible for all decision-making. Trustees are appointed on a rotational basis by the members at the Annual General Meeting.

The trustees have identified the major risks to which the Society is exposed and those risks have been mitigated. The trustees are currently formalising their policies which have been in place for many years on an informal basis.

In accordance with the Articles of Association P F Bundock and L Richards retire from the Committee at the Annual General Meeting and offer themselves for re-election.

ABBEYFIELD LOUGHTON SOCIETY LIMITED**DIRECTORS' REPORT**

Risk Management

The main areas of risk to the charity are financial and physical. The trustees undertake a formal risk assessment on a frequent basis to ensure that physical risks such as loose carpet, which could pose a risk to residents, are identified and dealt with early.

Staff are subject to police screening and training for key areas in Health and Safety, Food Hygiene and prevention of abuse.

Fire drills and the regular testing of fire alarms are undertaken often to ensure staff and residents are aware of the emergency procedures. Each resident's room has displayed fire evacuation procedures and a panic button in case of emergency. In addition, residents are offered pendant personal alarm systems.

Investments are made with the ultimate aim of high liquidity, maximum yield with very low capital risk.

Objectives & Activities

The principal activity of the charity throughout the year was providing care and accommodation for elderly and lonely persons in accordance with the Memorandum and Articles of Association and the aims and principles of The Abbeyfield Society Limited.

The trustees regularly review the needs and the facilities provided for the residents with a view to carrying out such work as maybe required, to improve and enhance the residents' quality of life.

One major project was undertaken during the year; the improvement of the water supply at a cost of £3,300, There were also the usual ongoing repairs and general upkeep of the building and garden. There are five major building projects planned for 2015/16. The electricity supply is being changed from a single to three phase supply costing £18,000. The main bathroom is being improved including a new automatic bath for a cost of £13,000. The shower room is being improved for a cost of £6,500 and rooms 1 to 4 are having showers installed for a cost of £25,000. The alarm system is being upgraded to a digital system including a new front door entry system for a cost of £8,500.

It is the charity's policy to cover its operating costs with income from residential charges. Any surplus on investments is set aside for future use to improve the building and facilities for residents.

Achievements & Performance

The aim of the trustees is to ensure full occupancy of the home. This was unfortunately not achieved during the year as there was on average one room vacant throughout the year.

Financial Review

Rental income was lower than the previous year due to one room being empty for most of the year. Expenditure was comparable with previous years other than property repair costs which fell due to no major repairs taking place during the year. Overall this has resulted in a surplus before property and investment revaluations of £30,101 and with the increase in the value of investments the total surplus was £93,884 for the year.

Reserves Policy

As at 31 March 2015, the total unrestricted reserves of the charity stands at £2,565,271 which includes the revaluation reserve of £1,182,457.

Income from residents covers all the general expenses of running a home including internal decorations and minor repairs. The investment income is generally used to fund capital expenditure or major work.

Short term investments are acquired and held at the discretion of the directors.

ABBEYFIELD LOUGHTON SOCIETY LIMITED**DIRECTORS' REPORT**

Plans For Future Periods

Care is taken to ensure that when any new resident is entered into the accommodation, it is newly cleaned, redecorated and, where necessary, re-carpeted. Every effort is made to ensure that the new resident integrates with the other residents. A trial of 3 to 4 days is therefore mandatory, to ensure that the resident and home are compatible.

Trustees' responsibilities in relation to the financial statements

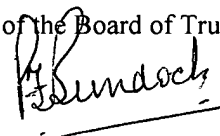
The trustees who are also directors of Abbeyfield Loughton Society Ltd for the purposes of company law are responsible for preparing the Trustees Annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally Accepted Accounting Practice).

The law applicable to charitable companies in England & Wales (company law) requires the trustees to prepare financial statements for each financial period 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 these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2006, the Charity (Accounts and Reports) Regulations 2008 and 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.

By Order of the Board of Trustees



P F Bundock
Trustee

Date: 19TH MAY, 2015

**INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
ABBEYFIELD LOUGHTON SOCIETY LIMITED**

I report on the financial statements for the year ended 31 March 2015 set out on pages 5 to 10.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination it is my responsibility to:

- examine the accounts under section 43 of the act
 - to follow the procedures laid down in the General Directions given by the Charity Commission under section
- 43(7)(b) of the act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

Independent examiners statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements to:
 - to keep accounting records in accordance with section 386 of the companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Parker FCA
Institute of Chartered Accountants in England & Wales
Sterlings Accountancy Solutions Limited
111 High Street
Billericay
Essex
CM12 9AJ

Date: 22 May 2015

ABBNEYFIELD LOUGHTON SOCIETY LIMITED
**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING THE INCOME AND
EXPENDITURE ACCOUNT AND STATEMENT OF RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST MARCH 2015**

	Notes	Unrestricted £	2015 Restricted £	Total £	2014 Total £
Incoming resources					
Incoming resources from generated funds					
Voluntary					
Donations		750	-	750	750
Activities for generating funds					
Investment income	3	19,100	-	19,100	19,373
Incoming resources from charitable activities					
Income from residential charges		114,457	-	114,457	118,644
Other incoming resources		1,000	-	1,000	-
Total incoming resources being net incoming resources available for charitable application		135,307	-	135,307	138,767
Resources expended					
Charitable expenditure					
Costs of charitable activities	4	93,711	-	93,711	109,050
Governance costs	5	11,495	-	11,495	9,320
Total resources expended		105,206	-	105,206	118,370
Net incoming/(outgoing) resources for the year before transfers and investment gains and losses being the surplus/(deficit) for the year for Companies Act purposes		30,101	-	30,101	20,397
Unrealised surplus/(deficit) on investments		63,783	-	63,783	42,190
Other recognised gains and losses on fixed assets for the Society's use					
Unrealised gain on land and buildings		-	-	-	-
Net movement in funds		93,884	-	93,884	62,587
Fund balance brought forward		2,471,387	-	2,471,387	2,408,800
Fund balance carried forward		£ 2,565,271	£ -	£ 2,565,271	£ 2,471,387

- All transactions are derived from continuing activities
- There are no gains or losses for the year other than those recognised in the Statement of Financial Activities.

ABBEYFIELD LOUGHTON SOCIETY LIMITED
BALANCE SHEET
AS AT 31ST MARCH 2015

		2015		2014	
	Notes	£	£	£	£
Tangible Fixed Assets					
Housing properties	7		1,700,000		1,700,000
Investments	8		606,875		542,352
			<u>2,306,875</u>		<u>2,242,352</u>
Current Assets					
Debtors	9	1,397		1,362	
Cash at bank and in hand		261,038		231,900	
		<u>262,435</u>		<u>233,262</u>	
Creditors: amounts falling due within one year	10	4,039		4,227	
		<u></u>		<u></u>	
Net Current Assets			258,396		229,035
Total Assets Less Liabilities			<u>£ 2,565,271</u>		<u>£ 2,471,387</u>
Financed by:					
Unrestricted reserves:					
Retained surplus	11		1,382,814		1,288,930
Revaluation reserve	11		1,182,457		1,182,457
	11		<u>£ 2,565,271</u>		<u>£ 2,471,387</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2015.

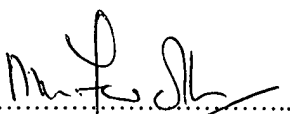
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2015 in accordance with Section 476 of the Companies Act 2006.

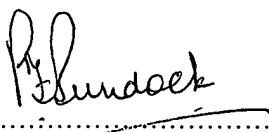
The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The 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 April 2008).

The financial statements were approved by the board of directors on the date shown below and were signed on its behalf by:


 M Farnsworth - Treasurer


 P F Bundoek - Secretary

Date:

The notes on pages 7 to 10 form part of these financial statements

ABBEYFIELD LOUGHTON SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

1. STATUS OF SOCIETY

The Society is registered under the Companies Act 1985 (number 758621) and is a registered charity (number 227729).

2. ACCOUNTING POLICIES

Accounting Basis

The financial statements are prepared under the historical cost convention, as modified to include the revaluation of certain fixed assets and in accordance with the Financial reporting Standards for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice SORP (revised 2005), Accounting and Reporting by Charities.

Incoming Resources

Income from donations is included in incoming resources when these are receivable.

Income from residential charges is accounted for on a straight line and accruals basis.

Investment income is accounted for on an accruals basis.

Resources Expended

All resources expended can be separately identified between different classes of expenditure. There is no need for apportionment.

Housing Land and Buildings

The cost of property is the purchase price plus costs of developing the property to enable it to be occupied.

All invoices and architect's certificates relating to capital expenditure are included in the financial statements at gross value provided that the expenditure incurred or the architect's certificate was completed by the end of the accounting year.

Expenditure on any scheme aborted is written-off in the year in which it is recognised that the scheme will not be developed to completion.

Where the directors consider that a property has fallen below recoverable amount, the carrying value of the property is written down directly to the Statement of Financial Activities to estimated open market value for existing use. When the directors consider the property value has increased, the carrying value is increased with the surplus being credited directly to the revaluation reserve.

Depreciation

Freehold property is carried at cost/valuation and is not depreciated. It is company policy to maintain its freehold property to a high standard, because of this the property maintains a residual disposal value in aggregate at least equal to the book value and accordingly no provision for depreciation is made. This represents a departure from the Companies Act 2006 which requires depreciation to be charged on tangible fixed assets. The directors consider this departure to be necessary to give a true and fair view.

If this departure from the Act had not been made, the profit for the year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Future Cyclical Repairs and Maintenance

Provision is made for major repairs or cyclical maintenance only where they represent legally binding commitments or obligations at the balance sheet date.

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. Accordingly no VAT is charged to residents, and expenditure in the income and expenditure account includes the relevant VAT.

ABBNEYFIELD LOUGHTON SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

2. ACCOUNTING POLICIES - Continued

Investments

Investments held are stated at bid price value at the balance sheet date. Purchases and sales include transaction fees. Realised and unrealised gains and losses are credited/charged to the Statement of Financial Activities.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Funds

The Society has no Restricted or Endowment Funds. All funds are credited to the General Fund held for the future running of the Society.

3. INVESTMENT INCOME

	2015	2014
	£	£
Bank and short term deposit interest	495	855
Dividends	18,605	18,518
	<u>£ 19,100</u>	<u>£ 19,373</u>

4. COSTS OF CHARITABLE ACTIVITIES

	2015	2014
	£	£
Repairs and maintenance	14,804	23,943
Staff salaries and costs	48,845	50,244
National Insurance	397	2,464
Pension contributions	180	180
Food and other household costs	12,607	12,724
Garden maintenance	2,768	2,135
Rent and rates	2,647	3,611
Heating and lighting	7,934	9,245
Telephone	868	1,115
Television licence	146	146
Insurance	1,917	1,826
Advertising	598	1,417
	<u>£ 93,711</u>	<u>£ 109,050</u>

5. GOVERNANCE COSTS

	2015	2014
	£	£
Affiliation fee: The Abbeyfield Society	2,532	2,466
Accountancy	3,104	3,032
Legal and professional	-	-
Printing, postage and stationery	1,012	141
General expenses	4,847	3,681
	<u>£ 11,495</u>	<u>£ 9,320</u>

ABBNEYFIELD LOUGHTON SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31ST MARCH 2015****6. EMPLOYEES**

The Society had 6 (2014 - 6) employees, amounting to one full-time equivalent employee, who run the accommodation unit. No employee earns more than £60,000 per annum.

7. FIXED ASSETS

	Land and buildings held for letting £
Freehold Land and Buildings	
Valuation	
At 1st April 2014	1,700,000
Revaluation surplus	-
	<hr/>
At 31st March 2015	£ 1,700,000
	<hr/> <hr/>

The property valued on 23 July 2014 by Heather Thirtle F.R.I.C.S. on the basis of the open market value for existing use.

The original cost of the property, including improvements, was £517,543.

8. INVESTMENTS

	2015 £	2014 £
Valuation brought forward	542,352	495,752
Additions	740	4,410
Disposals	-	-
Revaluation surplus/(deficit)	63,783	42,190
	<hr/>	<hr/>
	£ 606,875	£ 542,352
	<hr/> <hr/>	<hr/> <hr/>
	2015 £	2014 £
UK Listed investments	606,875	588,952
	<hr/>	<hr/>
	£ 606,875	£ 588,952
	<hr/> <hr/>	<hr/> <hr/>

The historical costs of investments is £429,939.

Investments comprising greater than 5% of investments are as follows:-

	2015 £	2014 £
Jupiter UK Alpha Fund	77,625	68,345
Lloyds Banking	42,800	40,400
BT Group Plc	43,900	37,900
Land Securities Group	40,755	33,183
Legal & General Group	41,700	30,600
National Grid plc	39,060	36,990
Pearson plc	40,712	29,764
Unilever plc	50,814	46,098
United Utilities	46,800	39,400
	<hr/> <hr/>	<hr/> <hr/>

ABBNEYFIELD LOUGHTON SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

9. DEBTORS

	2015	2014
	£	£
Other debtors	-	-
Prepayments and accrued income	1,397	1,362
	<u>£ 1,397</u>	<u>£ 1,362</u>

10. CREDITORS: Amounts falling due within one year

	2015	2014
	£	£
Accruals and deferred income	£ 4,039	£ 4,227
	<u>£ 4,039</u>	<u>£ 4,227</u>

11. RESERVES

	Freehold Revaluation Reserve £	Investments Revaluation Reserve £	Unrestricted Reserve £	Total £
At 1 April 2014	1,182,457	-	1,288,930	2,471,387
Operating Surplus for the year	-	-	30,101	30,101
Revaluation surplus in the year	-	-	63,783	63,783
At 31 March 2015	<u>£ 1,182,457</u>	<u>£ -</u>	<u>£ 1,382,814</u>	<u>£ 2,565,271</u>

12. SHARE CAPITAL AND CONTROLLING PARTY

The Society is a company limited by guarantee not having any share capital.

There is considered to be no controlling party.

13. PAYMENT TO MEMBERS, COMMITTEE MEMBERS, OFFICERS, ETC.

Payments to members of the Society for travel and sundry expenses reimbursed and ex gratia payments are as follows:-

	2015	2014
	£	£
M Farnsworth (includes ex gratia payment of £2,200)	3,388	2,850
P Bundock (includes ex gratia payment of £735)	912	2,863
J Kennedy	-	250
C M Franklin	-	250
	<u>£ 4,299</u>	<u>£ 6,213</u>

The ex gratia payments made to M Farnsworth and P Bundock are in respect of accounting and secretarial duties performed, respectively, for the charity in the year.

The trustees did not receive any remuneration during the year.

ABBEYFIELD LOUGHTON SOCIETY LIMITED
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2015

	2015		2014	
	£	£	£	£
Income				
Income from residential charges		114,457		118,644
Donations		750		750
Deposit interest		495		855
Dividends		18,605		18,518
Other income		1,000		-
		<u>£ 135,307</u>		<u>£ 138,767</u>
Expenditure				
Affiliation fee: The Abbeyfield Society	2,532		2,466	
Audit and accountancy	3,104		3,032	
Legal and professional	-		-	
Printing, postage and stationery	1,012		141	
General expenses	4,847		3,681	
		<u>11,495</u>		<u>9,320</u>
Repairs and maintenance		14,804		23,943
Employee costs	49,422		52,888	
Food and other household costs	12,607		12,724	
		<u>62,029</u>		<u>65,612</u>
Garden maintenance	2,768		2,135	
Rent and rates	2,647		3,611	
Heating and lighting	7,934		9,245	
Telephone	868		1,115	
Television licence and rental	146		146	
Insurance	1,917		1,826	
Advertising	598		1,417	
		<u>16,878</u>		<u>19,495</u>
Total Expenditure		<u>£ 105,206</u>		<u>£ 118,370</u>
Operating surplus/(deficit) for the year		30,101		20,397
Revaluation of land and buildings		-		-
Revaluation of investments		63,783		42,190
		<u>93,884</u>		<u>62,587</u>
Surplus at beginning of year		2,471,387		2,408,800
Surplus at end of year		<u>£ 2,565,271</u>		<u>£ 2,471,387</u>