

The Abbeyfield Whitehaven Society Limited

FINANCIAL STATEMENTS

31 MARCH 2017

Company Registration Number 00766744

Registered Charity Number 230050

SAINT & CO

Chartered Accountants & Statutory Auditors

12/13 Church Street

Whitehaven

Cumbria

CA28 7AY



**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

| CONTENTS | PAGE |
|---|-------------|
| Society information | 1 |
| The report of the executive committee | 2 |
| Independent auditor's report to the members | 4 |
| Statement of Income and Retained Earnings | 6 |
| Statement of Financial Position | 7 |
| Notes to the financial statements | 8 |
| The following pages do not form part of the financial statements | |
| Detailed hostel property revenue account | 18 |

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

SOCIETY INFORMATION

YEAR ENDED 31 MARCH 2017

| | |
|----------------------------|--|
| President | Mr N Moss |
| Executive Committee | Mr R Haughin Treasurer Mrs A Johnson-Valle Deputy Chairperson Mr T Milburn Mr E G Rae |
| Company Secretary | Mrs A Johnson-Valle |
| Registered office | Johnson House Hillcrest Avenue Hillcrest Whitehaven Cumbria CA28 6SU |
| Auditor | Saint & Co Chartered Accountants & Statutory Auditor 12/13 Church Street Whitehaven Cumbria CA28 7AY |
| Bankers | CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ |
| Solicitors | Brockbanks Solicitors 44 Duke Street Whitehaven Cumbria CA28 7NP |

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE EXECUTIVE COMMITTEE

YEAR ENDED 31 MARCH 2017

The Executive Committee has pleasure in presenting its forty-fifth report and the financial statements for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the Society is to provide accommodation for lonely and elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. These activities fall wholly within hostel housing activities as defined in the Housing Act 1974.

STATUS

The Society is a company limited by guarantee, having no share capital. It is registered under the Housing Act 1974, is an exempt charity and is registered with The Housing Corporation as a housing association.

FINANCIAL REVIEW

Due to an increased level of occupancy and room rates during the year, there was a reduction in the operating deficit from £17,109 to £12,281. After other income of £1,179, the deficit on ordinary activities was £11,102 (2016: £14,673). Voids amounted £30,739 (2016: £49,393). The results for the year are set out in the Income and Expenditure Accounts on page 6.

FUTURE DEVELOPMENTS

The Society will continue to pursue the letting of rooms.

MEMBERS

The committee members who served the company during the year were as follows:

Mr R Haughin

Mr T Milburn

Mr E G Rae

Mrs A Johnson-Valle

(Appointed 2 November 2016)

Mrs M Stocks

(Resigned 16 June 2017)

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

REPORT OF THE EXECUTIVE COMMITTEE

YEAR ENDED 31 MARCH 2017

STATEMENT OF RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE

The Executive Committee is responsible for preparing the Report of the Executive Committee and the financial statements in accordance with applicable laws and regulations.

Company law requires the Executive Committee to prepare financial statements for each financial year. Under that law the Executive Committee has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the law the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period.

In preparing these financial statements, the Executive Committee is required to:

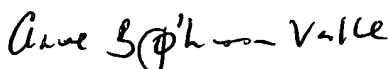
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Housing SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate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

The executive Committee is responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Statement of Recommended Practice "Accounting by Registered Social Housing Providers 2014". It is 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.

In so far as the Executive Committee is aware:

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

The executive's committee annual report was approved on 19th October 2017 and signed on behalf of the executive committee by:



Mrs A Johnson-Valle
Deputy Chairperson

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

YEAR ENDED 31 MARCH 2017

We have audited the financial statements of The Abbeyfield Whitehaven Society Limited for the year ended 31 March 2017 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the society's members, as a body, in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITOR

As explained more fully in the executive committee responsibilities statement set out on page 3, the Executive Committee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 31 March 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006, The Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

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.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED *(continued)***

YEAR ENDED 31 MARCH 2017

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- proper books of account have not been kept by the society in accordance with the requirements of the legislation;
- a satisfactory system of control over transactions has not been maintained by the society in accordance with the requirements of the legislation;
- the financial statements are not in agreement with the accounting records of the society; or
- we have not received all the information and explanations and access to documents that we require for our audit.

Ian Scott (Senior Statutory Auditor)
For and on behalf of
SAINT & CO
Chartered Accountants & Statutory Auditor

12/13 Church Street
Whitehaven
Cumbria
CA28 7AY

22 October 2017

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF INCOME AND RETAINED EARNINGS

YEAR ENDED 31 MARCH 2017

| | Note | 2017 £ | 2016 £ |
|--|------|------------------|-----------|
| TURNOVER | | 192,482 | 160,692 |
| Operating Costs | | (204,763) | (177,801) |
| OPERATING SURPLUS | | (12,281) | (17,109) |
| Interest receivable and Other Income | 10 | 1,179 | 2,436 |
| SURPLUS ON ORDINARY ACTIVITIES FOR THE YEAR | | (11,102) | (14,673) |
| Revenue Reserve Brought Forward | | 1,128,036 | 1,142,709 |
| Revenue Reserve Carried Forward | | 1,116,934 | 1,128,036 |

The Society's only activity is the provision of hostel accommodation.

There are no gains or losses other than the profit as disclosed for the year.

There are no acquisitions or discontinued operations during the current or preceding financial year.

The notes on pages 8 to 17 form part of these financial statements.

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 MARCH 2017

| | | 2017 | | 2016 | |
|--|------|-----------------|-------------------------|-----------------|-------------------------|
| | Note | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible fixed assets – housing properties | 11 | | 1,066,830 | | 1,093,942 |
| Tangible fixed assets – other | 12 | | 34,194 | | 40,229 |
| CURRENT ASSETS | | | | | |
| Stocks | 13 | 2,400 | | 2,400 | |
| Debtors | 14 | 3,070 | | 2,665 | |
| Investments | 15 | 140,719 | | 76,011 | |
| Cash at bank and in hand | | 78,776 | | 129,020 | |
| | | <u>224,965</u> | | <u>210,096</u> | |
| CREDITORS: Amounts falling due within one year | 16 | <u>(16,261)</u> | | <u>(16,263)</u> | |
| NET CURRENT ASSETS | | | 208,704 | | 193,833 |
| Deferred income net of amortisation falling due within more than one year | 17 | | (177,794) | | (184,968) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u><u>1,131,934</u></u> | | <u><u>1,143,036</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Revenue Reserve – Accumulated Surplus | 18 | | 1,116,934 | | 1,128,036 |
| Designated Reserve – Future Cyclical Repairs Reserve | 18 | | 15,000 | | 15,000 |
| TOTAL CAPITAL AND RESERVES | | | <u><u>1,131,934</u></u> | | <u><u>1,143,036</u></u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and republic of Ireland'.

These financial statements were approved by the Executive Committee and authorised for issue on the 19th October 2017 and are signed on their behalf by:


Mrs A Johnson-Valle
(Deputy Chairperson)


Mr E G Rae
(Director)


Mr T Milburn
(Director)

Company Number 00766744

The notes on pages 8 to 17 form part of these financial statements.

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

1. GENERAL INFORMATION

The Abbeyfield Whitehaven Society Limited is a company limited by guarantee, incorporated in England and Wales. Its registered office is Johnson House, Hillcrest Avenue, Hillcrest, Whitehaven, Cumbria, CA28 6SU. The association is registered under the Housing Act 1974 and is an exempt charity. The society is wholly engaged in hostel housing activities as defined in the Housing Act 1974.

The company's registered number is 00766744.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial reporting Standard applicable in the UK and Republic of Ireland'.

3. ACCOUNTING POLICIES

Basis of accounting

The financial statements of the association are prepared in accordance with applicable law and UK accounting standards (UK GAAP) which for the association includes the Companies Act, Financial Reporting Standard 102 (FRS102) "the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" and the Statement of Recommended Practice (SORP) for Registered Social Housing Providers 2014 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

The financial statements have been prepared on the historical cost basis, as modified by the valuation of certain financial assets and liabilities and investment properties measured at fair value through profit and loss.

The financial statements are prepared in the sterling, which is the functional currency of the entity.

The society meets the definition of a public benefit entity under FRS102.

Going concern

There are no material uncertainties about the society's ability to continue as a going concern.

Transition to FRS 102

The entity transitioned to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 22.

Disclosure exemptions

The Society has taken advantage of the disclosure exemptions permitted by the Housing SORP 2014 (FRS102) regarding the inclusion of a Statement of Cash Flows as the Society satisfies the criteria of being a qualifying entity as defined in FRS 102.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

3. ACCOUNTING POLICIES (*continued*)

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The Executive Committee consider there are no significant judgements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The Executive Committee consider there are no key sources of estimation uncertainty.

Revenue recognition

Turnover represents monies received from rental and service income receivable.

Tangible assets

Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during the construction of the property up to the date of practical completion.

Housing improvements in the course of building are stated at cost and are included in the value of housing properties.

Assets donated to the Society are not included in the balance sheet; other assets are included at cost.

Future Cyclical and Major Repairs

The executive committee have set aside a separate fund for future cyclical and major repairs (see note 18).

The amounts which are set aside are based on the Society's obligation to carry out such works on a continuing basis for the future cyclical maintenance and major repairs of its property, based on planned programmes of works for which SHG will not be claimed.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

3. ACCOUNTING POLICIES *(continued)*

Depreciation

Housing properties are depreciated on a straight line basis over their expected useful economic lives. The depreciable amount is arrived at on the basis of original cost less residual value, which is taken to be the proportion of the net book value attributable to land. No depreciation is provided on housing properties in the course of construction. Major components are treated as separable assets and depreciated over their expected useful economic lives at the following annual rates.

| <i>Freehold Property</i> | Annual Rates (Straight Line) |
|---------------------------------|-------------------------------------|
| Structure | 2% |
| Roofs | 2% |
| Windows and Doors | 3⅓% |
| Kitchens | 3⅓% |
| Bathrooms | 3⅓% |
| Lifts | 6⅔% |

Fixtures, Fittings & Equipment – Depreciation is charged at 15% per annum on the written down value.

A pro rata depreciation charge is made on fixed assets in the year that the asset is brought into use and no charge is made in the year of disposal.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Stocks

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

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a marker rate of interest for a similar debt instrument.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

3. ACCOUNTING POLICIES *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Social Housing Grants

Where developments have been financed wholly, or partly, by Social Housing Grants (SHG), the net book value of those developments has been reduced by the amount of the grant receivable, which is shown separately in the balance sheet. Provision is made for repayment of SHG where the property is expected to be sold in the foreseeable future. SHG in respect of housing properties in the course of construction received in arrear of expenditure is shown as a current asset.

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.

Pensions

The society operates a defined contribution scheme for the benefit of its employees. Contributions payable are recognised in the income and expenditure account when due.

Donations

Assets donated to the Society are not included in the balance sheet; other assets are included at cost.

Monetary donations to the Society are credited to the income and expenditure account upon there being a legal right to the receipt of the donations, with annual transfer to the funds in respect of which donations have been made.

Allocation of expenses

Expenses are allocated to management, repairs and service costs on the basis of the proportion of time or other relevant factors attributable to these activities.

4. LIMITED BY GUARANTEE

Every member undertakes, if the company is dissolved while he or she is a member or within 12 months after he or she ceases to be a member, to contribute such sum (not exceeding £1) as may be deemed of him or her towards the payment of the debts and liabilities of the company incurred before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and the adjustment of the rights and of the contributories among themselves.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

5 HOUSING STOCK

| | Units in Management | |
|----------------------|---------------------|-----------|
| | 2017 | 2016 |
| Hostel Accommodation | | |
| Number of Bed Spaces | <u>19</u> | <u>19</u> |

6. NET OPERATING (DEFICIT)/SURPLUS

The net operating (deficit)/surplus is stated after charging:

| | 2017 | 2016 |
|--|--------|--------|
| | £ | £ |
| Depreciation of tangible fixed assets | 33,147 | 34,212 |
| Fees payable for the audit of the financial statements | 2,500 | 2,500 |

7. PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were:

| | 2017 | 2016 |
|--|---------------|---------------|
| | £ | £ |
| Wages and salaries | 60,007 | 59,765 |
| Social security costs | - | 549 |
| Employers contributions to pension plans | 114 | - |
| | <u>60,121</u> | <u>60,314</u> |

8. STAFF NUMBERS

The average number of persons employed by during the year, including part-time employees:

| | 2017 | 2016 |
|-------------------------------|----------|----------|
| Management and Administration | 1 | 1 |
| Hostel Staff | 6 | 7 |
| | <u>7</u> | <u>8</u> |

9. PAYMENTS TO MEMBERS, DIRECTORS, OFFICERS ETC

No employees earned over £60,000 during the year or previous year.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the society (this includes the Member of the board). No remuneration was paid to key management personnel for services provided to the charity.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

10. INTEREST RECEIVABLE AND OTHER INCOME

| | 2017 | 2016 |
|-----------------------------|---------------------|--------------|
| | £ | £ |
| Bank Interest | 719 | 204 |
| Donations and Sundry Income | 460 | 2,232 |
| | <u>1,179</u> | <u>2,436</u> |

11. TANGIBLE ASSETS – HOUSING PROPERTIES

| | Freehold Property £ |
|-------------------------|------------------------------------|
| COST | |
| At 1 April 2016 | 1,355,657 |
| Additions | – |
| At 31 March 2017 | <u>1,355,657</u> |
| DEPRECIATION | |
| At 1 April 2016 | 261,715 |
| Charge for the year | 27,112 |
| At 31 March 2017 | <u>288,827</u> |
| NET BOOK VALUE | |
| At 31 March 2017 | <u>1,066,830</u> |
| At 31 March 2016 | <u>1,093,942</u> |

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

12. TANGIBLE FIXED ASSETS - OTHER

| | Fixtures, Fittings & Equipment £ |
|-------------------------|---|
| COST | |
| At 1 April 2016 | 89,495 |
| Additions | - |
| At 31 March 2017 | <u>89,495</u> |
| DEPRECIATION | |
| At 1 April 2016 | 49,266 |
| Charge for the year | 6,035 |
| At 31 March 2017 | <u>55,301</u> |
| NET BOOK VALUE | |
| At 31 March 2017 | <u>34,194</u> |
| At 31 March 2016 | <u>40,229</u> |

13. STOCKS

| | 2017 £ | 2016 £ |
|----------------|--------------|--------------|
| Catering stock | <u>2,400</u> | <u>2,400</u> |

14. DEBTORS

| | 2017 £ | 2016 £ |
|-------------|--------------|--------------|
| Prepayments | <u>3,070</u> | <u>2,665</u> |
| | <u>3,070</u> | <u>2,665</u> |

15. INVESTMENTS

| | 2017 £ | 2016 £ |
|--|----------------|---------------|
| Charities Deposit Account | - | 6,011 |
| Cumberland Building Society Investment | 70,719 | 70,000 |
| Barclays Investment Account | 70,000 | - |
| | <u>140,719</u> | <u>76,011</u> |

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

16. CREDITORS: Amounts falling due within one year

| | 2017 | | 2016 |
|---|-------|---------------|---------------|
| | £ | £ | £ |
| Trade creditors | | 3,142 | 3,413 |
| Deferred Capital Grants | | 7,174 | 7,174 |
| Other creditors including taxation and social security: | | | |
| PAYE and social security | 497 | | 1,316 |
| Accruals | 5,448 | | 4,360 |
| | | <u>5,945</u> | <u>5,676</u> |
| | | <u>16,261</u> | <u>16,263</u> |

17. CREDITORS: Amounts falling due within more than one year

| | 2017 | 2016 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Deferred Capital Grants | <u>177,794</u> | <u>184,968</u> |
| | <u>177,794</u> | <u>184,968</u> |

18. RESERVES

| | At 1 April 2016 | Movement | At 31 March 2017 |
|---------------------------------|--------------------|-----------------|---------------------|
| | £ | £ | £ |
| Future Cyclical Repairs Reserve | 15,000 | - | 15,000 |
| General Reserve | 1,128,036 | (11,102) | 1,116,934 |
| Total | <u>1,143,036</u> | <u>(11,102)</u> | <u>1,131,934</u> |

Future Cyclical Repairs Reserve – The amounts which are set aside are based on the Society's obligation to carry out such works on a continuing basis for the future cyclical maintenance and major repairs of its property, based on planned programmes of works for which SHG will not be claimed.

General Reserve – This reserve records retained earnings and accumulated losses.

19. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

| | 2017 | 2016 |
|---|--------------|--------------|
| | £ | £ |
| Financial liabilities measured at amortised cost | | |
| Trade creditors | 3,142 | 3,413 |
| Accruals | 5,448 | 4,360 |
| | <u>9,087</u> | <u>9,087</u> |

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

20. CONTINGENT LIABILITIES

The grant from The Abbeyfield Society of £970,000 may become repayable upon the sale or change in use of the housing property or if the society were to not remain a member society of The Abbeyfield Society. At the reporting date the committee had no plans to sell or change the use of the housing property and nor do they foresee a time when that will be the case.

21. RELATED PARTY TRANSACTIONS

There were no related party transactions undertaken during the year.

Members of the board, who are the directors of the Company, are all volunteers and received no emoluments for their services as trustees or reimbursement of expenses.

During the year expenditure incurred on behalf of the Society and refunded to two of the members who were not employees totalled £190 for the year (2016: £800).

All transactions were carried out on arm's length basis.

22. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The society transitioned to FRS 102 on 1 April 2015 and the effects of the transition are reflected in the following reconciliation of equity.

| | | | 1 April 2015 | | | 31 March 2016 | | |
|-----------------------|---|--|----------------------------|-------------------------|----------------------------|----------------------------|-------------------------|----------------------------|
| | | | As Previously stated | Effect of transition | FrS102 (as restated) | As Previously stated | Effect of transition | FrS102 (as restated) |
| | | | £ | £ | £ | £ | £ | £ |
| Tangible FA – | – | | 26,345 | 1,094,709 | 1,121,054 | 25,671 | 1,068,271 | 1,093,942 |
| Property | | | | | | | | |
| Tangible FA – Other | | | 17,111 | 29,912 | 47,023 | 14,804 | 25,425 | 40,229 |
| Current Assets | | | 193,275 | - | 193,275 | 210,096 | - | 210,096 |
| Creditors (due < 1yr) | | | (4,328) | (7,173) | (11,501) | (9,089) | (7,174) | (16,263) |
| Creditors (due > 1yr) | | | - | (192,142) | (192,142) | - | (184,968) | (184,968) |
| Net Assets | | | <u>232,403</u> | <u>925,306</u> | <u>1,157,709</u> | <u>241,482</u> | <u>901,554</u> | <u>1,143,036</u> |
| Capital & Reserves | | | | | | | | |
| Revenue Reserve | | | 217,403 | 925,306 | 1,142,709 | 226,482 | 901,554 | 1,128,036 |
| Designated Reserve | | | 15,000 | - | 15,000 | 15,000 | - | 15,000 |
| | | | <u>232,403</u> | <u>925,306</u> | <u>1,157,709</u> | <u>241,482</u> | <u>901,554</u> | <u>1,143,036</u> |

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

22. TRANSITION TO FRS 102 (continued)

Reconciliation of profit or loss for the year

| | 31 March 2016 | | |
|--------------------------------------|---------------------------------|------------------------------|------------------------------|
| | As Previously stated £ | Effect of transition £ | Frs102 (as restated) £ |
| Turnover | 153,519 | 7,173 | 160,692 |
| Operating Costs | (146,876) | (30,925) | (177,801) |
| Operating Surplus/(Deficit) | 6,643 | (23,752) | (17,109) |
| Interest Receivable and Other Income | 2,436 | - | 2,436 |
| | <u>9,079</u> | <u>(23,752)</u> | <u>(14,673)</u> |

In line with FRS102, government grants are held within creditors as deferred grant with the grant being amortised over the life of the structure of the properties. Other grants received for the housing property have been treated as performance-related grants and they have been recognised as income in the year in which the property developments were completed. The increase in fixed assets amounted to £1,124,621 being £1,370,282 of grants which had previously been offset against the cost of the fixed assets in determining the depreciable amounts, additional depreciation of £245,661 on the fixed assets up to 31 March 2015, and amortisation of £159,367 on those government grants up to 31 March 2015. This has resulted in an additional depreciation charge in the 31 March 2016 year end of £30,925 and grant amortisation (shown as income) of £7,173 in the 31 March 2016 year end.

**THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

Detailed Hostel Property Revenue Account

YEAR ENDED 31 MARCH 2017

**The following pages do not form part of the financial statements
which are the subject of the independent auditor's report on pages 4 to 5.**

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED
COMPANY LIMITED BY GUARANTEE

Detailed Hostel Property Revenue Account

YEAR ENDED 31 MARCH 2017

| | 2017 | 2016 |
|--|-----------------|-----------------|
| Income | | |
| Residents' Charges | 216,047 | 201,912 |
| Losses arising from vacancies and absences | (30,739) | (49,393) |
| Turnover – Net Income from Residents' Charges | 185,308 | 152,519 |
| Respite Income | - | 1,000 |
| Amortisation of deferred income | 7,174 | 7,173 |
| Total Turnover | <u>192,482</u> | <u>160,692</u> |
| Expenditure | | |
| Management Expenses: | | |
| Salaries | 5,744 | 6,116 |
| Insurance | 2,946 | 2,640 |
| Telephone | 971 | 1,061 |
| Membership Fee Abbeyfield Society | 5,480 | 5,394 |
| Auditors Remuneration | 3,332 | 3,074 |
| Stationery, Postage and Advertising | 992 | 2,101 |
| Bank Charges | 56 | - |
| Conferences and Training | 65 | 224 |
| | <u>19,586</u> | <u>20,610</u> |
| Repairs and Maintenance | | |
| Day-to-day Repairs and Refurbishment | 46,568 | 19,001 |
| Service Costs | | |
| Care and Catering | | |
| Employee Costs | 54,376 | 54,198 |
| Food Costs and Cleaning Materials | 25,221 | 23,258 |
| Window Cleaning | 300 | 530 |
| Garden Maintenance | 1,578 | 2,487 |
| Council Tax | 2,354 | 2,278 |
| Water Rates | 3,609 | 2,653 |
| Heating and Lighting | 12,623 | 13,622 |
| Careline Monitoring | 2,605 | 2,511 |
| Sundry Expenses | 2,796 | 2,442 |
| Depreciation of Fixtures, Fittings and Equipment | 6,035 | 7,099 |
| Depreciation of Buildings | 27,112 | 27,113 |
| | <u>138,609</u> | <u>138,190</u> |
| Operating Costs | <u>204,763</u> | <u>177,801</u> |
| Hostel Property Revenue Operating Surplus | <u>(12,281)</u> | <u>(17,109)</u> |