The Abbeyfield Whitehaven Society Limited

Financial Statements for the year ended 31 March 2014

Registration Number 00766744
Registered Charity Number 230050

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Saint & Co.
Chartered Accountants & Registered Auditors

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Accounts for the year ended 31 March 2014

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THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Officers, Professional Advisers and Registered Office

President:	Mr. N. Moss	
Executive Committee:	Mrs. M. Stocks	Chairman
	Mr. R. Haughin	Treasurer
	Mr. T. Milburn	
	Mr. E. G. Rae	
	Mrs. M. Watson	(Resigned 11 April 2013)
Auditor:	Saint & Co., Chartered Accountants & Statutory Auditor, 12/13 Church Street, Whitehaven, Cumbria.	
Bankers:	CAF Bank, 25 Kings Hill Avenue. Kings Hill, West Malling, Kent.	
Solicitors:	Brockbanks Solicitors, 44 Duke Street, Whitehaven, Cumbria.	
Registered Office:	Johnson House, Hillcrest Avenue, Hillcrest, Whitehaven, Cumbria.	

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Report of the Executive Committee

The Executive Committee submits its forty-second Report and the Accounts for the year ended 31 March 2014.

1. 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. Voids amounted to £29,536 (2013 : £27,908).

2. Status

The Society is a Company limited by guarantee, having no share capital. It is registered under the Housing Act 1974 and is an exempt charity.

3. Results

The results for the year are as set out in the Income and Expenditure Accounts on page 5.

4. Likely Future Developments

The Society will continue to pursue the letting of rooms.

5. Fixed Assets

Notes 3 and 9 summarise the changes to the amount of cost and depreciation on housing land and buildings and fixtures, fittings and equipment. The Committee is of the opinion that there is no significant difference between the book cost and the market value for the existing use of the land and buildings.

6. Executive Committee

The members of the Executive Committee who served throughout the year were:-

Mrs. M. Stocks	Chairman
Mr. R. Haughin	Treasurer
Mr. T. Milburn	
Mr. E. G. Rae	
Mrs. M. Watson	(Resigned 11 April 2013)

7. Auditors

Saint & Co. will be deemed to continue in office under section 487(2) of the Companies Act 2006.

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Report of the Executive Committee (continued)

STATEMENT OF EXECUTIVE COMMITTEE'S RESPONSIBILITIES

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 Society and of the surplus or deficit of the Society for that period. In preparing those financial statements, the Executive Committee is required to:

- select suitable accounting policies and then apply them consistently;
- 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 Society will continue to operate.

The Executive Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Companies Act 2006, The Housing and Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing 2012. 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.

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.

On behalf of the Executive Committee,

MRS. M. STOCKS

Chairman.

Date: 24 July 2014

Johnson House,
Hillcrest Avenue,
Hillcrest,
Whitehaven,
Cumbria.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

We have audited the financial statements of The Abbeyfield Whitehaven Society Limited for the year ended 31 March 2014, which comprise the Income and Expenditure Account, the Balance Sheet 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 Practice).

This report is made solely to the company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. 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 Directors and Auditors

As explained more fully in the Directors Responsibilities Statement set out on page 3, the Directors 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 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the annual report 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 society's affairs as at 31 March 2014 and of its profit 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, The Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers and Social Housing 2012.

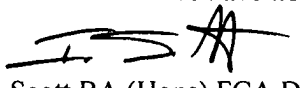
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches nor visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Ian Scott BA (Hons) FCA DChA, Dated: 28 July 2014
Senior Statutory Auditor,
For and on behalf of Saint & Co, Chartered Accountants and Statutory Auditor,
12/13 Church Street,
Whitehaven,
Cumbria.
CA28 7AY

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Income and Expenditure Account for the year ended 31 March 2014

	Notes	2014	2013
		£	£
Turnover	2.3	169682	119818
Operating Costs	Page 13	(127249)	(142189)
Operating Surplus/(Deficit)		42433	(22371)
Interest Receivable and Other Income	8	4853	35911
Surplus on Ordinary Activities for the year		47286	13540
Revenue Reserve brought forward		131992	118452
Revenue Reserve carried forward		£179278	£131992

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

No operations have been discontinued or acquired during the year, and the amounts above relate entirely to continuing operations.

The Society has no recognised gains or losses other than those included in the surpluses above and therefore no separate statement of total recognised gains and losses has been presented.

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Balance Sheet as at 31 March 2014

	Notes	£	2014 £	2013 £
TANGIBLE FIXED ASSETS				
Housing Property:				
Completed Scheme				
Gross Cost less Depreciation	3		1341551	1326799
Less Abbeyfield UK			(921642)	(912482)
Housing Grant			(358682)	(358682)
Other Grants			(41600)	(41600)
			19627	14035
Fixtures, Fittings and Equipment	9		18387	4313
			38014	18348
CURRENT ASSETS				
Stock	2.10		2218	1686
Debtors and Prepayments	10		3070	4239
Investments	11		104866	119716
Cash at Bank and in Hand			51249	41012
			161403	166653
CURRENT LIABILITIES				
Creditors – Amounts falling due within one year	12		5139	38009
Net Current Assets/(Liabilities)			156264	128644
TOTAL ASSETS LESS CURRENT LIABILITIES			£194278	£146992
CAPITAL AND RESERVES				
Revenue Reserve – Accumulated Surplus	5		179278	131992
Designated Reserve – Future Cyclical Repairs Reserve	5		15000	15000
			£194278	£146992

The Accounts were approved by the Executive Committee and signed on its behalf on

by Mrs. M. Stocks (Chairman) Mr. E. G. Rae (Director)

Mr. R. Haughin (Director)

Company Number 00766744

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THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Notes to the Accounts for the year ended 31 March 2014

1. Status of Society

The Society is a Company limited by guarantee, having no share capital. It 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.

2. Accounting Policies

2.1 General:

The principal accounting policies of the Society are set out in the following sub-paragraphs.

2.2 Accounting Basis:

The financial statements of the Company are prepared in accordance with applicable United Kingdom accounting standards, the Companies Act 2006, the Statement of Recommended Practice "Accounting by Registered Social Housing Providers update 2010" and the Accounting Direction for Private Registered Providers of Social Housing 2012. The principal accounting policies which have been applied in drawing up the financial statements are set out below.

2.3 Turnover:

Turnover comprises rental and service income receivable.

2.4 Fixed Assets, Housing Land and Buildings:

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.

2.5 Depreciation:

2.5.1 Housing Land and Buildings SHG Assisted Schemes

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 the proportion of SHG and other grants attributable to housing properties, 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.

Assets	Annual Rates (Straight Line)
Structure	2%
Roofs	2%
Windows and Doors	3⅓%
Kitchens	3⅓%
Bathrooms	3⅓%
Lifts	6⅔%

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Notes to the Accounts for the year ended 31 March 2014 (continued)

2. Accounting Policies (continued)

2.5.2 Fixtures, Fittings and Equipment:

Depreciation is charged at 15% per annum on the written down value.

2.5.3 General:

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.

2.6 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.

2.7 Fixed Assets, Fixtures, Fittings and Equipment:

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

2.8 Future Cyclical and Major Repairs:

The Executive committee have set aside a separate fund for future cyclical and major repairs (see note 5).

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.

2.9 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.

2.10 Stocks:

These comprise catering stocks valued at cost; the replacement cost of stocks is not significantly different from the historical cost at which it is stated in the accounts.

2.11 Monetary donations:

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.

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Notes to the Accounts for the year ended 31 March 2014 (continued)

2. Accounting Policies (continued)

2.12 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.

2.13 Pensions:

The Society has no pension arrangements for its employees, other than Social Security benefits.

2.14 Cash Flow Statement:

The Society has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a Cash Flow Statement on the grounds that it satisfies the relevant size criterion.

	2014 £	2013 £
3. Housing Land and Buildings		
Cost – Completed Schemes (Freehold)		
At 1 April 2013	1332985	420503
Additions	15278	912482
At 31 March 2014	£1348263	£1332985
Depreciation		
At 1 April 2013	6186	5782
Charged in year	526	404
At 31 March 2014	£6712	£6186
	£1341551	£1326799
Grants – Completed Schemes		
Housing Association	358682	358682
Abbeyfield UK – Bechshaw Legacy	921642	912482
Other Grants	41600	41600
Total Grants at 31 March 2014	£1321924	£1312764

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Notes to the Accounts for the year ended 31 March 2014 (continued)

	2014 £	2013 £
4. 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	4	4

5. Reserves

	Future Cyclical Repairs Reserve	Revenue Reserve
	£	£
At 1 April 2013	15000	131992
Income and Expenditure	-	47286
Balance at 31 March 2014	£15000	£179278

6. Employees

	2014 £	2013 £
Employee Costs		
Salaries and Wages	52858	41683
Social Security	1806	1543
	£54664	£43226
The average weekly numbers of persons employed during the year including part-time employees		
Management and Administration		1
Hostel Staff		7
		8

7. Payments to Members, Directors, Officers, etc.

Expenditure incurred on behalf of the Society and refunded to one Officer of the Society who was not an employee totalled £1173 for the year. In addition £400 was received from the Seacote Hotel of which Mr. Milburn, Director, is also a director. The receipt was in respect of the sale of two used washing machines. The transaction was on an arm's length basis.

8. Interest Receivable and Other Income

	2014 £	2013 £
Bank Interest	216	263
Other Income:		
Donation – Abbeyfield Carlisle Society Ltd	-	35000
Donations and Sundry Income	4637	648
	£4853	£35911

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Notes to the Accounts for the year ended 31 March 2014 (continued)

		2014	2013
		£	£
9.	Fixtures, Fittings and Equipment	2014	2013
		£	£
	Cost		
	At 1 April 2013	68164	21769
	Additions	19683	46395
	Disposals	(400)	-
	At 31 March 2014	£87447	£68164
	Depreciation		
	At 1 April 2013	17456	16695
	Charged in year	3245	761
	At 31 March 2014	£20701	£17456
	Net Book Amount at 31 March 2014	£66746	£50708
	Grants at 31 March 2014		
	At 1 April 2013	46395	-
	Abbeyfield UK – Bechshaw Legacy	1964	46395
		£48359	£46395
	Net Fixtures and Fittings	£18387	£4313
10.	Debtors and Prepayments due within one year		
	Prepayments	2764	2520
	Residents Charges Due and Unpaid	306	1719
		£3070	£4239
11.	Current Asset Investments		
	Charities Deposit Account	£104866	£119716

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Notes to the Accounts for the year ended 31 March 2014 (continued)

	2014	2013
	£	£

12. Creditors and Accruals due within one year

Other Accruals	5139	37402
Taxation and Social Security	-	607
	£5139	£38009

The average number of days between receipt and payment of purchase invoices on credit accounts is 30 days.

13. Housing Stock

	Units in Management	
	2014	2013
Hostel Accommodation		
Number of Bed Spaces	19	19

THE ABBEYFIELD WHITEHAVEN SOCIETY LIMITED

Detailed Hostel Property Revenue Account for the year ended 31 March 2014

	2014 £	2013 £
Income		
Residents' Charges	197253	145403
Losses arising from vacancies and absences	(29536)	(27908)
Turnover – Net Income from Residents' Charges	167717	117495
Respite Income	1965	2323
Total Turnover	169682	119818
Expenditure		
Management Expenses:		
Salaries	5721	5456
Insurance	2293	1891
Telephone	1324	2237
Membership Fee Abbeyfield Society	5177	2931
Auditors Remuneration	2580	2400
Stationery, Postage and Advertising	1889	1611
Conferences and Training	245	-
Sundries	-	1393
	19229	17919
Repairs and Maintenance:		
Day-to-day Repairs and Refurbishment	7402	41381
Service Costs:		
Care and Catering:		
Employee Costs	48943	37770
Food Costs and Cleaning Materials	25211	23063
Council Tax	2152	2040
Water Rates	2581	2496
Heating and Lighting	12293	10926
Careline Monitoring	2455	2455
Sundry Expenses	3212	2974
Depreciation, Fixtures, Fittings and Equipment	3245	761
Buildings	526	404
	100618	82889
Operating Costs	127249	142189
Hostel Property Revenue Operating Surplus/(Deficit)	£42433	£(22371)