THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

WEDNESDAY

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COMPANIES HOUSE

Company No. 866977

Registered Charity No. 259027

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

DIRECTORY AND INFORMATION

Executive Committee Members

M J Hughes (Chair)
Mr I Trevette
Mrs M Trevette
Mr D North (to September 2010)
Mr D Smith MBE (to September 2010)
Mr A Swinson
Mrs D Thomas

Bankers:

HSBC Plc
Mostyn Street
Llandudno

Auditors

Pritchett & Co Ltd
16 Wynnstay Road
Colwyn Bay
Conwy
LL29 8NB

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The executive committee submits its annual report together with the accounts for the year ended 31 December 2010.

Principal activity

The principal activity of the society, as determined by its memorandum of association, continues to be the provision of accommodation, care and companionship for lonely or frail elderly people in accordance with the aims and the principles of The Abbeyfield Society Limited.

Status

The company is:

- A company limited by guarantee (number 866977), having no share capital and with solely charitable objectives.
- Registered as a charity (number 259027)
- A registered social landlord (housing number H098)

Objects and Organisation

The Articles of Association govern the appointment of the executive committee, which is charged with the management of the society in furtherance to its principal activity, fund management and financial affairs generally
The committee shall consist of no less than 3 and no more than 18 committee members. The committee has the power to appoint executive committee members to fill a casual vacancy.
One third of the executive committee members must retire by rotation each year but are eligible for re-election.
The society is a member of The Abbeyfield Society by payment of an annual subscription.

Review of business and results during the year

The financial results for the year are set out in the income and expenditure account on page 9 and the position at the end of the year is shown on the balance sheet on page 10
The executive committee consider that the state of the affairs of the society is satisfactory.
The reserves of the society have accumulated since the formation of the company in 1965. The current policy is to create a modest surplus each year and to generate sufficient cash to repay the society's borrowings as they fall due.
There are no plans to change the activities of the society in the foreseeable future

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

Chairman's Statement

I am delighted to report another year of excellent progress on consolidating the quality of services operating at our house Awel Mor, Glan Conwy

The Society continues to benefit from the significant contribution from our volunteers on the Management Committee With the support from our housekeepers all are focused on delivering the highest possible standards of service to all our residents.

Our 2008-2011 business strategy involving the re-furbishment of the interior and increasing the number of living units from 8 to 10 was our main challenge in terms of estate This was completed on time and within budget in 2009 Our challenge for 2010 has been to position the House within the community and promote the use of the re-furbished property

During 2010 occupancy has risen and this has been reflected in our increased turnover However as the year drew to a close the house had two deaths and two transfers to specialist care homes The management committee with the full support from volunteer Alan Swinson are all re-doubling their efforts to return the house to 80%+ occupancy as soon as practicable

The year has also seen structural changes within The Abbeyfield Society movement As a result of the review the Wales Region will become a free standing organisation with its own fundraising powers from 2011 This has been done in response to the devolving of law making powers by Parliament to Wales, Scotland and Northern Ireland The affiliation will continue with the national society

The focus by the Committee has been to provide high quality but affordable living accommodation that fits within our role as social landlords Despite the lower occupancy levels at the end of the year I am pleased to report that there is an increased surplus in the trading account for the ending 31st December 2010 of £18,849

I would like to thank all our volunteers and staff for their contributions for what has been a year of progress and now look forward to the 2011 challenges

Risk Management

The executive committee members have overall responsibility for ensuring that the society has appropriate systems of controls, financial and otherwise The systems of controls are designed to provide reasonable, but not absolute, assurance against material misstatement or loss They include an annual budget, approved by the executive committee, regular review of actual results and variances from budget, and delegation of authority and segregation of duties as far as possible given staffing levels

The executive committee will continue to monitor risks and set up policies to mitigate them

Fixed assets

Details of the cost of fixed assets are set out in the balance sheet

The executive committee are of the opinion that there is no significant difference between the book cost and market value for the existing use of the land and buildings

Executive committee

The members of the executive committee who served during the year are set out on page 1

The executive committee are offering themselves for re-election at the Annual General Meeting held on 27 April 2011

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

Statement of disclosure of information to Auditors

We confirm, so far as we are aware, that

- there is no relevant audit information of which the auditors are unaware, and
- we have taken all the steps that we ought to have taken as Board members in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information

The report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Ian Trevette

Mr I Trevette

Registered Office

Awel Mor
Llanrwst Road
Glan Conwy

Date 26th April 2011

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' responsibility statement

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period In preparing these financial statements the directors are required to -

* select suitable accounting policies and apply them consistently,
* make judgements and estimates that are reasonable and prudent,
* prepare financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing Act 1996 and the Accounting Requirements for Social Landlords Registered in Wales General Determination 2006 They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

We have audited the financial statements on pages 9 to 14 which comprise of the Income and Expenditure Account, the Balance Sheet and the related notes The financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the society's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006 and Schedule 1 to the Housing Act 1996. 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 the Executive Committee and Auditors

The Executive Members' responsibilities for preparing the Executive Committee report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards and for being satisfied that they give a true and fair view are set out in the Statement of Executive Committee Members Responsibilities .

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, the Housing Act 1996 and The Accounting Requirements for Social Landlords Registered in Wales General Determination 2006. We also report to you whether in our opinion the information given in the Executive Committee Report is consistent with the financial statements.

In addition we report to you if, in our opinion, a satisfactory system of control over transactions has not been maintained, if the Registered Social Landlord has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or of certain disclosure of Board members' remuneration specified by law are not made.

We read the executive committee members' report and consider the implications for our report if we become aware of any apparent misstatements within it

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 2 of the financial statements concerning the uncertainty as to the number of residents and the ability of the Society to continue as a going concern. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect

Opinion

In our opinion:

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006, Schedule 1 to the Housing Act 1996 and The Accounting Requirements for Social Landlords Registered in Wales General Determination 2006;
- the financial statements give a true and fair view of the state of the Society's affairs at 31 December 2010 and of its surplus for the year then ended, and
- the information given in the Executive Committee Report is consistent with the financial statements

David Pritchett
Senior Statutory Auditor
For and behalf of
Pritchett & Co Limited
Registered Auditors
Chartered Accountants

16 Wynnstay Road
Colwyn Bay

Date: 20/9/2011

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

	Note	2010		2009	
		£	£	£	£
INCOME					
Residential charges receivable			111,800		96,880
Less vacancies			(33,927)		(40,238)
			77,873		56,642
Donations			514		280
Bank interest received			17		10
Total Income			78,404		56,932
EXPENDITURE					
Management expenses					
Insurance		1,637		1,694	
Audit and professional fees		787		762	
Stationery, postage and adverts		2,086		1,915	
Travel expenses		1,921		1,278	
Membership/affiliation fees		1,248		1,358	
Repairs and maintenance:-					
Lift and careline		887		(832)	
General and cleaning		3,785		867	
Service costs:-					
Care and catering					
Employee costs	10	24,669		23,341	
Food		8,896		5,561	
Decant expenditure		-		19,588	
Less: grants received		-		(19,588)	
Rates		2,497		1,560	
Heat and light		4,702		2,896	
Telephone		1,491		625	
Website costs		646		-	
Sundry expenses		479		246	
Loan interest		418		320	
Depreciation		3,406		3,769	
Total Expenditure			(59,555)		(45,450)
Surplus for the year	9		£18,849		£11,482

RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the surplus disclosed above.

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED
BALANCE SHEET AT 31 DECEMBER 2010

	Note	2010		2009	
		£	£	£	£
TANGIBLE FIXED ASSETS					
Housing land and building					
Cost	4		442,157		442,157
Housing Association Grant			(273,396)		(273,396)
Fixtures, fittings and equipment	5		19,302		21,356
			188,063		190,117
CURRENT ASSETS					
Cash at bank and in hand		4,559		7,995	
Grant debtor		-		11,883	
Bank deposits		33,099		9,082	
		37,658		28,960	
CURRENT LIABILITIES					
Amounts falling due within one year -					
Creditors and accruals	6	(13,911)		(12,834)	
			23,747		16,126
CREDITORS					
Amounts falling due after one year	7		(35,794)		(61,720)
GRANTS			(12,644)		-
NET ASSETS			£163,372		£144,523
FINANCED BY:					
Accumulated Surplus	9		£163,372		£144,523

The accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Signed on behalf of the board

Ian Trevette

Mr I Trevette

Date 26th April 2011

Company Registration Number 866977

THE ABBEYFIELD (BOROUGH OF CONWAY) SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2010

1. GENERAL

The Society is a company limited by guarantee, having no share capital, and with solely charitable objectives Registered as a company in England & Wales No. 866977; Registered as a charity No 259027. The society is wholly engaged in hostel activities as defined in the Housing Act.

2. ACCOUNTING POLICIES

Basis of Accounting

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

After the year end the number of residents fell to one and unless new residents come into the house there is the possibility of the existing trustees ceasing to run the house by the end of 2011. In view of the anticipated value of the property and the likelihood of the running of the Society being taken over by Abbeyfield, no adjustments have been made to the figures in the balance sheet

Freehold Housing, Land and Buildings

Freehold housing, land and buildings are stated in the Balance Sheet at cost less housing association grants received. No depreciation is charged on the housing land and buildings because they are maintained in a state of repair such that the residual value at the balance sheet date is not less than the market value. The annual charge for depreciation would therefore be immaterial.

Social Housing Grant

Where developments have been financed wholly, or partly, by Social Housing Grant (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.

Depreciation

Depreciation is charged at 15% per annum on the reducing balance method.

2. ACCOUNTING POLICIES – cont'd

Repairs

The cost of repairs is charged to the accounts as incurred The Executive Committee keep under review the need to make provision for cyclical repairs At present no such provision is considered necessary

3. INCOME

Income is attributable to the company's continuing activity of the provision of accommodation to elderly people, and is wholly derived within the United Kingdom

4. FREEHOLD HOUSING, LAND AND BUILDINGS

SHG Assisted Schemes - Freehold	2010	2009
	£	£
Cost brought forward	442,157	260,968
Additions	-	181,189
Cost carried forward	£442,157	£442,157

5. FIXTURES, FITTINGS AND EQUIPMENT

	2010	2009
	£	£
COST		
Brought forward	55,539	40,979
Additions, net of grants received	1,352	14,560
Carried forward	£56,891	£55,539
DEPRECIATION		
Brought forward	34,183	30,414
Charged in the year	3,406	3,769
Carried forward	£37,589	£34,183
NET BOOK VALUE		
At 31 December	£19,302	£21,356

6. CREDITORS AND ACCRUALS

	2010	2009
	£	£
Accruals	3,311	5,934
The Abbeyfield Society loan	8,600	3,900
North Wales Abbeyfield Development Trust loans	2,000	3,000
	£13,911	£12,834

7. LOANS

	2010	2009
	£	£
The Abbeyfield Society loan	27,938	41,220
North Wales Abbeyfield Development Trust loans	7,856	20,500
	£35,794	£61,720

8. 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.

	2010	2009
Number of members	7	8

9. ACCUMULATED SURPLUS

	2010	2009
	£	£
At 1 January	144,523	133,041
Surplus for the year	18,849	11,482
At 31 December	£163,372	£144,523

10. EMPLOYEES

The average number of housekeepers, assistants and cleaners during the year was 3 (2009 3)

Staff costs (for the above staff)

	2010	2009
	£	£
Wages and salaries	23,484	22,223
Social security costs	1,185	1,118
Total	£24,669	£23,341

11. HOUSING STOCK

The society has the following bed spaces available for occupation:

	2010	2009
Sheltered	10	10