

ABBNEYFIELD BRISTOL AND KEYNSHAM SOCIETY
(formerly Abbeyfield Bristol Society)
(Limited by Guarantee)
(Company No. 872566)

REPORT OF THE TRUSTEES
AND ACCOUNTS

30 SEPTEMBER 2014

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COMPANIES HOUSE

ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2014

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VICE PRESIDENTS AND TRUSTEES

YEAR ENDED 30 SEPTEMBER 2014

Vice Presidents:

M.L. Brooks
M. Dickman
A. Fixter
J. Grenfell
R.H. Nash

**Trustees (The Board of Directors)
who served during the year:**

M. Innes
Mrs S. Touzel
Mrs. G. Oakhill
Mrs. J. Pitt
J. Kane
Mr. R. F. Spooner
Mrs. S. Hopkins

Chairman
Vice Chair

Appointed 27 June 2014
Appointed 27 June 2014

REPORT OF THE TRUSTEES

YEAR ENDED 30 SEPTEMBER 2014

The Trustees present the Society's Annual Report for the year ended 30 September 2014 under the Companies Act 2006 and the Charities Act 2011, together with the audited Accounts for the year, and confirm the latter comply with the Companies Act 2006, SORP "Accounting by Registered Social Housing Providers: Update 2010" and the Company's Memorandum and Articles of Association.

REFERENCE AND ADMINISTRATION INFORMATION

Abbeyfield Bristol and Keynsham Society is a charitable company founded in 1966: Charity Registration Number 257532, HCA Number HO315 and Company Registration Number 872566. The liability of its members is limited to £1 each by guarantee. The registered office and principal address of the Company is at 29 Alma Vale Road, Clifton, Bristol BS8 2HL.

TRUSTEE MEMBERSHIP

This is listed on page 2.

Under the terms of the Memorandum and Articles of Association of the Society, for Companies Act purposes the Trustees constitute the Directors.

KEY EXECUTIVES AND PROFESSIONAL ADVISERS

Chief Executive	Ms Frances Stretton
Company Secretary	Stuart Palmer
Bankers:	Handelsbanken, 40 Queen Square, Bristol BS1 4QP
Solicitors:	Cook & Co 77-81 Alma Rd Clifton Bristol BS8 2DP
Auditors:	Whyatt Pakeman Partners, Colkin House, 16 Oakfield Road, Clifton, Bristol BS8 2AP
Insurance Brokers:	David Haskoll Ltd, Haskoll House, Deanland Road, Golden Cross, East Sussex BN27 3RJ

REPORT OF THE TRUSTEES – Continued

YEAR ENDED 30 SEPTEMBER 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

The company is governed by its Memorandum and Articles of Association dated 1 March 1966.

GOVERNING BODY

Under the Memorandum and Articles of Association, there are to be not less than 3 and not more than 18 Trustees.

Trustees (other than any ex officio members), deemed to have appropriate skills and abilities, are elected by Trustees of the Society and ratified by members of the company at the Annual General Meeting. They serve a term of 3 years, after which they may be re-elected.

CHANGE OF NAME

On the 19 June 2014 the company changed its name from Abbeyfield Bristol Society to Abbeyfield Bristol and Keynsham Society and the area of operation of the company was extended to Bristol and surrounding areas.

TRUSTEE TRAINING

In recent years, the Trustees have undertaken a full review of the Society's activities. This is continually reviewed and forms the basis of the Society's development plan. Within the review, Trustees have looked at a number of issues including an audit of Trustee skill sets and a robust programme of recruitment of new Trustees. Proposed Trustees meet with the Chairman when the operation of the Society is explained including the legal structure, the liability of Trustees and the relationship with the Chief Executive. Trustees are given a copy of the Memorandum and Articles of Association together with notes drawing attention to principal clauses in the Memorandum and Articles, and the Charity Trustee booklet *The Essential Trustee: What You Need to Know*. New Trustees are invited to meet the Chief Executive and visit any of the Society's houses to better inform themselves about the way in which the Society operates.

ORGANISATIONAL MANAGEMENT

The Trustees meet regularly during the year to determine general policy of the Society and review its overall management and control, for which they are legally responsible. The Trustees set up sub-committees as necessary, with responsibility for specific areas. Sub-committees are not decision-making bodies but report and make recommendations to the Trustees. Decisions relating to the everyday running of the Society are delegated to the Chief Executive.

GROUP STRUCTURE AND RELATIONSHIP

Abbeyfield Bristol Society supports the attainment of the highest standards in provision of housing with support and care and holds the National Society's *Abbeyfield Gold Star* which is recognised by the Department of Communities and Local Government and the Local Authorities in whose areas it works (Bristol and South Gloucestershire).

RISK MANAGEMENT

The Trustees identify and monitor risks faced by the Society. These are reviewed at least annually and systems have been put in place to mitigate their impact.

REPORT OF THE TRUSTEES – Continued

YEAR ENDED 30 SEPTEMBER 2014

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The Trustees maintain the objects established when the Society was founded in 1966 and contained in the Memorandum and Articles of Association.

To ensure this, the Trustees meet regularly to assess occupancy levels, income and expenditure and to regularly review the Society's provision for older people in its houses.

The Trustees have considered the Charity Commission's guidance on public benefit and are satisfied that the Society's aims and its activities carried out in pursuit of those aims, as described in this report, are for the public benefit.

STRATEGIC AIM AND INTENDED EFFECTS

The Society's purpose is to provide affordable Supported Sheltered Housing for older people who require an element of extra support to enable them to live independent lives, irrespective of their financial resources.

OBJECTIVES FOR THE YEAR

To maintain high standards of provision for the Society's elderly residents and regularly review existing housing stock.

PRINCIPAL ACTIVITY

The provision of Supported Sheltered Housing for older people in the Bristol and South Gloucestershire areas.

GRANT MAKING

Two residents were subsidised by the Society during the year.

INVESTMENT PERFORMANCE

The sum of £10,660 was received in interest, which is an increase of £6,568 on the previous year.

VOLUNTEERS

The Society acknowledges the breadth of commitment of its volunteers, from the day-to-day help to specific tasks and invaluable professional advice & assistance.

REPORT OF THE TRUSTEES – Continued

YEAR ENDED 30 SEPTEMBER 2014

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

In June 2014 Abbeyfield Bristol Society merged with the Abbeyfield Keynsham and Saltford Society to form the Abbeyfield Bristol and Keynsham Society. 8 residents from the Keynsham house relocated to the newly developed "Kift Lodge" site in Hanham. On 30 June 2014 the assets and liabilities of Abbeyfield Keynsham and Saltford Society Limited were transferred into the control of Abbeyfield Bristol and Keynsham Society at nil consideration.

The development of the site in Hanham, South Gloucestershire, commenced in the summer of 2013, following the successful application for planning permission for a new state-of-the-art facility, offering 20 units of a mixture of one-bedroom and studio flats and was completed in June 2014 with a grand opening on June 27th 2014. Abbeyfield Bristol is in the extremely fortunate position that they have been able to secure a grant of £1,958,737 from the former Abbeyfield Bath Society for the funding of this project. We are very grateful to the Bath Society and their trustees for their generosity.

The Society was awarded the Abbeyfield Gold Star in May 2013 following an assessment by Abbeyfield Head Office. The Gold Star is awarded in recognition of our achievement in enhancing the quality of life for older people.

During this financial year the Society posted an operating surplus of £3,882 and a surplus after exceptional gains and net interest costs of £1,184,599. Operating costs rose by £144,733 and the main drivers behind this were the costs of the Hanham site together with significant decoration costs at Westbury Road and Home Farm Way.

The principal funding sources, aside from its social housing lettings income of £986,563 were net surplus of £636,682 from the sale of the Society's market rented property at 5 Elgin Park and a surplus on the Keynsham merger of £540,626. 5 Elgin Park was disposed of in November 2013 and net proceeds of £673,139 were realised.

Expenditure in the year has continued to support the day-to-day costs of maintaining high standards of provision for the Society's elderly residents, and at the same time ensuring that the existing property stock provides the highest quality accommodation units.

The on-going programme of upgrading bathroom facilities at Westbury Road has continued when rooms have become available for refurbishment.

The Society has a total of £58,758, shown as 'recycled grant fund' in long-term creditors on the face of its balance sheet. This amount pertains to grants obtained at the time of purchase of the Society's property at Downfield Road.

The Trustees continue to monitor closely the level of voids in all houses and to look at ways in which the Society's housing provision can be improved to be more attractive to new residents.

RESERVES POLICY

The Trustees' policy is to retain such reserves as in their judgement are adequate to cover:

- day-to-day operational expenditure, for which the policy is to hold cash to cover 3 months expenditure;
- funding for identified development projects and repairs to the housing property portfolio;
- a small reserve for unexpected items. However, the gearing of the Society would permit appropriate borrowing to cover the majority of eventualities.

REPORT OF THE TRUSTEES – Continued

YEAR ENDED 30 SEPTEMBER 2014

INVESTMENT POLICY AND OBJECTIVES

The Society's reserves are represented by buildings, equipment and current assets. Its cash reserves are maintained on short and longer term objectives. It is the Society's policy to place funds to maximum advantage.

FUTURE PLANS

Abbeyfield is primarily interested in the quality of care provided to its residents and the staff that support its objectives.

The Society continues to look at the best ways to provide the highest standards of accommodation units using its existing property stock.

The Society continues to look for opportunities to use its funds to provide the best possible accommodation for older members of the community and this includes both the merger with smaller Abbeyfield Societies and also looking at external development options. It has plans to develop the site house formerly owned by the Abbeyfield Keynsham and Saltford Society at Westbourne Avenue into 12 modern self contained studios and one-bedroomed flats. It is expected that these works will be completed by the end of 2015.

The Society has been granted planning permission at Westbury Road for a new porch and entrance hall together with the upgrading of other areas of the ground floor for the benefit of both residents and staff.

A three-year business plan has been prepared along with the relevant cash flow forecasts and these demonstrate that the Society will not need to seek loan finance in order to fulfil its future plans. The Trustees are confident regarding the Society's financial future.

FREEHOLD LAND AND BUILDINGS

The movements in fixed assets are shown in Note 8 to the Accounts. The Trustees are of the opinion that the market value of the land and buildings is in excess of book value.

REPORT OF THE TRUSTEES – Continued

YEAR ENDED 30 SEPTEMBER 2014

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Annual Accounts in accordance with applicable law and regulations.

Company law and social housing legislation require the Trustees to prepare Accounts for each financial year. Under that legislation the Trustees have elected to prepare the Accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Accounts are required by law to 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 Accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 Accounts on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

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 accounts 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees 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.

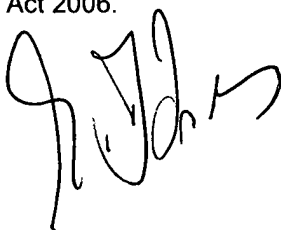
AUDITORS

A resolution for the re-appointment of Whyatt Pakeman Partners as auditors will be proposed at the forthcoming Annual General Meeting.

SMALL COMPANY PROVISIONS

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

On behalf of the Board
Mr M. Innes
Chairman/Trustee



Date: 10 February 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEYFIELD BRISTOL AND
KEYNSHAM SOCIETY

YEAR ENDED 30 SEPTEMBER 2014

We have audited the financial statements of the Abbeyfield Bristol and Keynsham Society for the year ended 30 September 2014 set out on pages 11 to 22. 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 Society's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 137 of the Housing and Regeneration Act 2008. 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 BOARD OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities on page 8, the Trustees (who are also the directors of the Society for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 September 2014 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and The Accounting Direction for Private Registered Providers of Social Housing in England 2012.

Contd.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBNEYFIELD BRISTOL AND
KEYNSHAM SOCIETY - Continued

YEAR ENDED 30 SEPTEMBER 2014

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Report of the Trustees 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

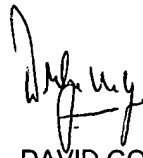
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Colkin House,
16 Oakfield Road,
Clifton,
Bristol.
BS8 2AP


DAVID GOLLEDGE FCA
(Senior Statutory Auditor)
for and on behalf of
WHYATT PAKEMAN PARTNERS
Chartered Accountants
& Statutory Auditor

Date: 17 February 2015

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 SEPTEMBER 2014

	Notes	<u>2014</u> £	<u>2013</u> £
TURNOVER	3,5	986,563	891,817
Other Operating Income	4	2,421	32,597
		988,984	924,414
Operating Costs	5	(985,102)	(840,369)
Operating Surplus	5	3,882	84,045
Exceptional items:	23		
Surplus on sale of property		636,682	801,256
Net assets from Abbeyfield Keynsham and Saltford Society Limited		540,626	-
Interest receivable and similar income		10,660	4,092
Interest payable and similar charges	7	(7,251)	(9,192)
Surplus on ordinary activities for the year	17	1,184,599	880,201

The Society's only activity during the year was the provision of Supported Sheltered Accommodation and the results relate only to continuing activities.

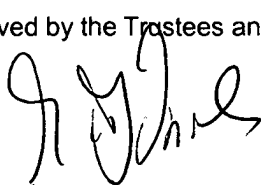
The Society has no recognised surpluses or deficits other than those included in the results above and therefore no separate statement of total recognised surpluses and deficits has been prepared.

Historic cost surpluses and deficits are identical to those shown above; therefore no separate note has been prepared.

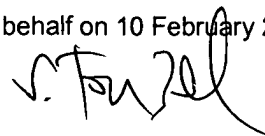
The surplus for the year represents Revenue Reserves.

The Accounts were approved by the Trustees and signed on their behalf on 10 February 2015.

M. Innes (Chairman)



Mrs S. Touzel (Vice Chair)



BALANCE SHEET

YEAR ENDED 30 SEPTEMBER 2014

	Notes	2014 £	2013 £
TANGIBLE FIXED ASSETS			
Housing Properties	8	7,610,561	5,126,022
Depreciated Cost		(3,268,048)	(1,378,176)
Less: Social Housing Grants			
		4,342,513	3,747,846
Other Fixed Assets	9	99,015	68,331
		4,441,528	3,816,177
CURRENT ASSETS			
Debtors	10	38,865	145,143
Cash at Bank and in Hand		1,590,338	1,039,030
		1,629,203	1,184,173
CREDITORS: Amounts falling due within one year	11	(166,402)	(256,964)
NET CURRENT ASSETS		1,462,801	927,209
TOTAL ASSETS LESS CURRENT LIABILITIES		5,904,329	4,743,386
CREDITORS: Amounts falling due after more than one year:			
Recycled Capital Grant Fund	12	(58,758)	(58,758)
Other Creditors	13	(265,280)	(288,936)
		(324,038)	(347,694)
		5,580,291	4,395,692
CAPITAL AND RESERVES			
Revenue Reserve	17	5,580,291	4,395,692
		5,580,291	4,395,692

These Accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Accounts were approved and authorised for issue by the Trustees and signed on their behalf on 10 February 2015.

M. Innes (Chairman)

Mrs S. Touzel (Vice Chair)

Company Registration Number: 0872566

NOTES TO THE ACCOUNTS

YEAR ENDED 30 SEPTEMBER 2014

1. GENERAL

Abbeyfield Bristol and Keynsham Society is a company limited by guarantee, having no share capital, and with solely charitable objectives. It is registered as a company in England & Wales (No. 872566).

The Society is also registered as a Charity (No. 257532) and registered with the Homes & Communities Agency as a provider of social housing (No. H0135) as defined by the Housing and Regeneration Act 2008.

The Society is wholly engaged in the provision of care and housing for the elderly.

2. ACCOUNTING POLICIES

These Accounts have been prepared in accordance with applicable United Kingdom Accounting Standards and the Statement of Recommended Practice: "Accounting by Registered Social Housing Providers: Update 2010" (the "SORP"). The Accounts comply with the Housing and Regeneration Act 2008 and with The Accounting Direction for Private Registered Providers of Social Housing in England 2012.

2.1. ACCOUNTING BASIS

The Accounts are prepared under the historical cost accounting convention.

2.2. CASH FLOW STATEMENT

The Society qualifies as a small company under the Companies Act 2006. The Trustees have elected to take advantage of the exemption under Financial Reporting Standard 1 not to prepare a cash flow statement.

2.3. TURNOVER

Turnover comprises rental income receivable from Social Housing Lettings, including Supporting People income, net of voids.

2.4 SUPPORTING PEOPLE

Some residents receive financial support from local authorities which enter into Supporting People contracts with the Society. Under these contracts, which depend upon the particular circumstance of each resident, a part of the total amount chargeable to a resident is funded by the local authority. Amounts received from local authorities are offset against the total amount which would otherwise be due from the residents, and all income is included as income from social housing.

2.5 DONATIONS AND LEGACIES

Donations and legacies are recognised by the Society when it has entitlement to the funds, certainty of receipt and the amount is measurable.

2.6 SOCIAL HOUSING GRANTS AND OTHER CAPITAL GRANTS

Social Housing Grants (SHG) have been received in the past from the Housing Corporation as a contribution towards the capital cost of purchases or development of land and buildings. Where purchases or development have been wholly or partly funded by SHG, the costs of those purchases or developments have been reduced by the value of the grant received. The value of the grant is disclosed as a separate item on the face of the Balance Sheet.

SHG become repayable or recyclable under certain circumstances, such as following the sale of a property or on a change of use. If not repayable, the grant is transferred to a recycled capital grant fund, included in creditors, until it is reinvested in a replacement property or allowable major repairs.

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

2. ACCOUNTING POLICIES (Continued)

2.6 SOCIAL HOUSING GRANTS AND OTHER CAPITAL GRANTS (Continued)

Capital grants are received from The Abbeyfield (Bath) Society Limited as a contribution towards the development costs of a new home currently in progress. The costs of those purchases or developments have been reduced by the value of the grant received. The value of the grant is disclosed as a separate item on the face of the Balance Sheet. The grants are repayable under certain circumstances, such as the sale of the property.

2.7 CAPITALISATION OF INTEREST

Interest on loans financing development is capitalised up to the date of the completion of the scheme and only whilst development activity is in progress. No such loans were used in 2014 or 2013.

2.8 FIXED ASSETS – HOUSING PROPERTIES

Housing properties are stated at cost or fair value when gifted or transferred to the Society, less capital grants received towards them, and less accumulated depreciation. Cost is the purchase price, plus any incidental costs of acquisition. Where properties are gifted to the Society, they are recorded at current value at the date of the gift. Housing properties awaiting, or in the course of, development are included within fixed assets but are not subject to depreciation.

Whilst deducting capital grants received from the cost of fixed assets contravenes the Companies Act 2006, is necessary to comply with the SORP and in the Trustees' opinion this treatment is required for the Accounts to show a true and fair view.

Works to existing housing properties:

Expenditure on housing properties is capitalised when it results in an enhancement of economic benefits, such as an increase in the net rental stream over the life of the property.

Expenditure that represents the restoration of assets that have a separately identifiable life to the property concerned is also capitalised. Such expenditure is depreciated over the expected useful life of that item.

Any works which do not result in an enhancement of economic benefits of a property are charged to the Income and Expenditure Account. This includes expenditure incurred to ensure that the property can maintain its existing level of net rental income or the standard of performance anticipated when the asset was first acquired or constructed or last replaced.

2.9 DEPRECIATION OF TANGIBLE ASSETS

(i) Housing Properties

Depreciation is provided on the cost or valuation of freehold buildings, excluding land, less any capital grants for which the freehold building has, or will, qualify. Depreciation is charged on each component on the straight line basis at the following rates:

Roofing	2% per annum
Windows/doors, kitchens, bathrooms	5% per annum
Lifts	7% per annum
Main fabric	1% per annum

(ii) Fixtures and Fittings

Depreciation is provided at 20% per annum on the reducing balance basis.

(iii) Motor vehicles

Depreciation is provided at 25% per annum on the reducing balance basis.

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

2. ACCOUNTING POLICIES (Continued)

2.10 FUTURE CYCLICAL REPAIRS AND MAJOR REPAIRS

Due to the number of properties held and the establishment of regular programmes of repairs and maintenance, the Society does not operate a cyclical maintenance reserve but does budget for future works. Costs are recognised in the Income and Expenditure Account as they are actually incurred.

2.11 OPERATING LEASES

Costs in respect of operating leases are charged to the Income and Expenditure Account on a straight line basis.

2.12 CORPORATION TAX AND VAT

The Society has charitable status and is exempt from Corporation Tax on the income it receives. The Society is not registered for VAT. Accordingly no VAT is charged to residents. Expenditure in the Income and Expenditure Account includes relevant VAT.

2.13 PENSIONS

The Society operates a UK-based defined contribution pension scheme. The assets of the scheme are held separately from those of the Society. Amounts paid are accounted for in the year to which they relate.

2.14 RESTRICTED RESERVES

Restricted reserves are those reserves which are only expendable in accordance with the wishes of the donor. Expenditure cannot be directly set against restricted reserves but is taken to the Income and Expenditure Account and transfer from restricted reserves is made as appropriate.

3. TURNOVER

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Social housing lettings	1,117,680	966,917
Less: Void losses	131,117	75,100
	<u>986,563</u>	<u>891,817</u>

4. OTHER INCOME

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Non-social housing lettings - Market rented	2,271	22,896
Donations	150	9,700
Sundry income	-	1
	<u>2,421</u>	<u>32,597</u>

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

5. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

	Turnover and Other Income £	2014 Operating Costs £	Surplus £	Turnover and Other Income £	2013 Operating Costs £	Surplus £
Social housing:						
Supported Sheltered Housing	986,563	985,101	1,462	891,817	840,369	51,448
	986,563	985,102	1,461	891,817	840,369	51,448
Other Income:						
Other Rent	2,271			22,896		
Donations/Sundry income	150			9,701		
	2,421		2,421	32,597		32,597
Operating Surplus	988,984	985,102	3,882	924,414	840,369	84,045

6. OPERATING SURPLUS

	2014 £	2013 £
Operating Surplus is stated after charging:		
Auditors' remuneration (excl. VAT):		
In their capacity as auditors	2,750	2,500
In respect of other services	1,700	848
Depreciation	91,070	85,522
Operating Lease Rentals - Buildings	16,500	16,500
- Others	2,635	2,824

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
On Bank loans and overdrafts	5,706	6,407
On Recycled Capital Grant Fund	-	1,238
On all other loans	1,545	1,547
	7,251	9,192

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

8. TANGIBLE FIXED ASSETS – FREEHOLD HOUSING PROPERTIES

	Social housing £	Market rented £	Vacant £	Total £
Cost, or value when gifted				
Balance at 1 October 2013	4,773,789	68,067	975,303	5,817,159
Additions	46,174	-	1,873,748	1,919,922
Additions - acquired at fair value	-	-	675,000	675,000
Disposals	-	(68,067)	-	(68,067)
Transfers	2,831,981	-	(2,831,981)	-
Balance at 30 September 2014	7,651,944	-	692,070	8,344,014
Grants receivable				
Balance at 1 October 2013	1,137,805	-	240,371	1,378,176
Additions	-	-	1,718,366	1,718,366
Additions - acquired at fair value	-	-	171,506	171,506
Transfers	1,958,737	-	(1,958,737)	-
Balance at 30 September 2014	3,096,542	-	171,506	3,268,048
Depreciation				
Balance at 1 October 2013	659,641	31,496	-	691,137
Charge for year	73,812	104	-	73,916
Depreciation on disposals	-	(31,600)	-	(31,600)
Balance at 30 September 2014	733,453	-	-	733,453
Net Book Value				
As at 30 September 2014	3,821,949	-	520,564	4,342,513
As at 30 September 2013	2,976,343	36,571	734,932	3,747,846

Additions to cost include £46,174 in respect of works to existing properties, £1,856,678 in respect of the construction of a new property and £17,070 in respect of refurbishment of property acquired at fair value.

By 30 June 2014 Abbeyfield Keynsham and Saltford Society Limited combined its assets and liabilities with the Abbeyfield Bristol Society, with the property introduced recognised at fair value.

The market rented property was sold during the year, as detailed in Note 23.

Total expenditure on works to existing properties in the year was:

	2014 £	2013 £
Amounts capitalised: improvements	1,919,922	381,971
Amounts charged to the Income and Expenditure Account	81,666	45,795
	2,001,588	427,766

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

9. TANGIBLE FIXED ASSETS – OTHER

	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost			
Balance at 1 October 2013	214,104	13,219	227,323
Additions	49,348	-	49,348
Disposals	(15,832)	-	(15,832)
Balance at 30 September 2014	247,620	13,219	260,839
Depreciation			
Balance at 1 October 2013	150,652	8,340	158,992
Charge for the year	15,934	1,220	17,154
Disposals	(14,322)	-	(14,322)
Balance at 30 September 2014	152,264	9,560	161,824
Net Book Value			
As at 30 September 2014	95,356	3,659	99,015
As at 30 September 2013	63,452	4,879	68,331

10. DEBTORS

	<u>2014</u> £	<u>2013</u> £
Rent arrears	12,172	2,384
Prepayments and accrued income	23,996	19,270
Other Debtors	2,697	123,489
	<u>38,865</u>	<u>145,143</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2014</u> £	<u>2013</u> £
Mortgage Loan	57	50
Bank Loan	23,595	23,595
Taxes and Social Security	11,605	7,750
Trade creditors – General	55,987	38,176
Trade creditors – New development	-	145,826
Other creditors	1,217	1,010
Accruals	73,941	40,557
	<u>166,402</u>	<u>256,964</u>

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Recycled Capital Grant Fund		
Balance at 1 October 2013	58,758	117,989
Grants recycled upon relevant events	-	58,545
Interest accrued	-	1,238
Recycled grants: works to existing stock	-	(119,014)
Balance at 30 September 2014	<u>58,758</u>	<u>58,758</u>

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

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Other Creditors		
Mortgage Loan	17,528	17,589
Bank Loan	247,752	271,347
	<u>265,280</u>	<u>288,936</u>

14. BORROWINGS: ANALYSIS OF MATURITY OF DEBT

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
In less than one year	23,652	23,645
Between one and two years	23,592	23,594
Between two and five years	70,583	70,618
After five years	171,105	194,724
	<u>288,932</u>	<u>312,581</u>

All borrowings above are secured and repayable in instalments, as detailed in Note 15.

15. HOUSING PROPERTY FINANCE

The Mortgage Loan and the Bank Loan are secured by charges on certain of the Society's freehold land and buildings.

The Mortgage Loan is repayable in instalments up to 31 August 2053, with interest at 8.75% per annum. The amount outstanding at 30 September 2014 was £17,585 (2013: £17,639). The lender has charges over the property at 43 Westbury Road and land at Home Farm Way, Bristol.

A Treasury Loan was granted by Barclays Bank for a 25 year term from February 2002, with interest charged at 1.5% above LIBOR. The amount outstanding at 30 September 2014 was £271,347 (2013: £294,942). Barclays Bank has charges over properties 43, 45, 47 and 49 Westbury Road, Bristol.

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

16. OPERATING LEASE COMMITMENTS FALLING DUE WITHIN ONE YEAR

	<u>Leasehold Buildings</u>		<u>Others</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Operating leases which expire:				
Between 2 and 5 years	16,500	16,500	2,635	2,635

17. RESERVES

	<u>2014</u>
	<u>Revenue</u>
	<u>£</u>
Surplus brought forward	4,395,692
Surplus for the year	1,184,599
Surplus carried forward	5,580,291

18. HOMES UNDER MANAGEMENT

The Society had the following homes under management available for occupation and in development:

	<u>2014</u>	<u>2013</u>
	<u>No</u>	<u>No</u>
Social Housing Lettings		
Supported Sheltered	4	3
In refurbishment/development	1	1
Non-social Housing Lettings		
Market rented accommodation (managed by agent)	-	1
Total	5	5

19. ACCOMMODATION UNITS

The Society had the following bed spaces available for occupation and in development:

	<u>2014</u>	<u>2013</u>
	<u>No</u>	<u>No</u>
Social Housing Lettings		
Supported Sheltered	74	54
In refurbishment/development	14	18
Non-social Housing Lettings		
Market rented accommodation (managed by agent)	-	5
Total	88	77

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

20. EMPLOYEE INFORMATION

	<u>Persons Employed</u>		<u>Full Time Equivalent</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	<u>No</u>	<u>No</u>	<u>No</u>	<u>No</u>
Average number of persons employed during the year was:				
House and Care Staff	34	27	21	16
Administration	2	2	2	2
Total	36	29	23	18
Staff Costs (for the above staff)			<u>2014</u>	<u>2013</u>
			<u>£</u>	<u>£</u>
Wages and Salaries			458,456	390,953
Social Security Costs			30,076	27,228
Other Pension Costs			887	488
Total			489,419	418,669
Emoluments of the Senior Executives was:			<u>42,032</u>	<u>41,208</u>
Highest Paid Senior Executive:				
Aggregate Emoluments			<u>42,032</u>	<u>41,208</u>

21. PENSION COSTS

The Society's pension costs in the year amounted to £887 (2013: £488). At 30 September 2014 there were no outstanding contributions relating to this scheme (2013: £Nil).

22. PAYMENTS TO TRUSTEES AND COMMITTEE MEMBERS

	<u>2014</u>	<u>2013</u>
	<u>£</u>	<u>£</u>
Expenses paid to Trustees who were not employees of the Society:	463	2,000
Expenses paid to Committee Members	287	67

The number of Trustees receiving payments for expenses incurred during the year was 2 (2013: 1). All expenses paid to Trustees were for travel and subsistence costs.

No Trustees, nor their connected persons, received any remuneration from the Society.

NOTES TO THE ACCOUNTS (Continued)

YEAR ENDED 30 SEPTEMBER 2014

23. EXCEPTIONAL ITEMS

During the year ended 30 September 2014, one of the Society's homes was sold for net sale proceeds of £673,149, being a book gain of £636,682.

By 30 June 2014 all of the assets and liabilities of Abbeyfield Keynsham and Saltford Society Limited were transferred into the control of Abbeyfield Bristol Society at nil consideration.

To reflect this change and the area of operation the Abbeyfield Bristol Society changed its name to Abbeyfield Bristol and Keynsham Society.

The property transferred is currently closed with plans to develop the site and it is expected that these works will be completed by the end of 2015.

The assets acquired at fair value were:

Freehold Property	675,000
Social Housing Grant	(171,507)
	<u>503,493</u>
Debtors	1,257
Cash at bank	38,762
Creditors	(2,886)
	<u>540,626</u>

24. RELATED PARTY TRANSACTIONS

Clifton Rentals Limited and Complete Property Solutions Bristol Ltd (CPSBL) are companies wholly owned by Mrs K J Still and Mr C G Still, who are the daughter and son-in-law of Mr M Innes, a Trustee and Chair of the Society. During the year the Society employed Clifton Rentals Limited as agent to manage its market rented properties, for which it was charged £188 (2013: £2,250). Clifton Rentals Limited also leases part of the Society's premises and was charged rent of £4,380 (2013: £3,650) by the Society during the year. At the year end the Society owed Clifton Rentals Limited £Nil (2013: £188). During the year CPSBL charged the Society £3,500 for management of maintenance (2013: £Nil). The Trustees consider the transactions to be competitive and the position is market tested on a regular basis.

25. GUARANTEE COMPANY

The Society is a company limited by guarantee. The liability of each of the members is limited to £1. At the year end there were 7 members (2013: 5 members).