

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

FINANCIAL STATEMENTS

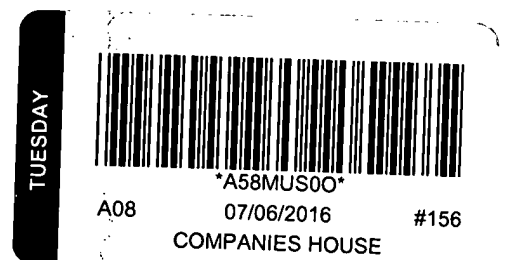
30 SEPTEMBER 2015

Registered company number : 926812
Registered charity number : 255757

Hailwood & Co.

Chartered Accountants

Moreton, Wirral



THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

FINANCIAL STATEMENTS

for the year ended 30 September 2015

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THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

FINANCIAL STATEMENTS

for the year ended 30 September 2015

Incorporated in England and Wales on 5 February 1968

Company registration number 926812

Charity registration number 255757

Homes and Communities Agency registration number H2738

BOARD MEMBERS

Mrs J Nicholls - Chairman
S Conway - Secretary
Mrs H Hughes
Reverend J Hughes

REGISTERED OFFICE

65 Prenton Road West
Prenton
Birkenhead
Wirral
CH42 9PZ

BANKERS

Barclays Bank plc
6 Grange Road West
Charing Cross
Birkenhead
CH41 4DF

AUDITORS

Hailwood & Co.
392-394 Hoylake Road
Moreton
Wirral
CH46 6DF

SOLICITORS

Brabners Chaffe Street LLP
Horton House
Exchange Flags
Liverpool
L2 3YL

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

REPORT OF THE BOARD

for the year ended 30 September 2015

Principal Activity

The principal activity of the company is to provide accommodation, care and companionship for the lonely or frail elderly people, in accordance with the aims and principles of The Abbeyfield Society. This activity falls wholly within hostel housing activities as defined in the Housing and Regeneration Act 2008.

Review of Operations

The Board continued to implement its policy of keeping charges to residents as affordable as possible through careful control of expenditure, whilst keeping properties well maintained.

During the year, The Society reduced running costs where they were able to do so. They also continued to update rooms as and when required. Donations amounting to £4,825 were received.

Future Plans

The Board continue to make the rooms as lettable as possible, and as soon as The Society has started to make an operating surplus for a continued period of time, improvements will be made.

Reserves

The surplus on ordinary activities amounted to £6,521 and was transferred to the Revenue Reserve.
(see note 11).

Key Policies

The company's key policies are as follows:

Residents' charges: To generate sufficient revenue from the company's properties to cover current running costs and to fund future major repairs, whether through retaining surpluses or maintaining the ability to generate additional finance. The board acknowledges its responsibility to raise sufficient rental income to enable it to meet the Decent Homes standards now and in the future.

Maintenance: To maintain its property to a high standard by attending response repairs quickly and implementing programme of cyclical maintenance.

The Board

The Board members are as follows:

Mrs J Nicholls - Chairman
S Conway - Secretary
Mrs H Hughes
Reverend J Hughes

Value for Money

The Society has a Board that is happy to be involved in its day to day running, saving administration costs.

The house manager operates within strict bookkeeping budgets. Any one off contracts are the subject of a tender process to obtain quality at the right price. Salary levels are set in accordance with the national minimum wage and the market generally. The board authorise all expenditure personally with a view to controlling costs.

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

REPORT OF THE BOARD

for the year ended 30 September 2015

Board's Responsibilities

The Board are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the members to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company 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 company and of the deficit or surplus of the company for that year.

In preparing these financial statements the members are required to:

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Housing and Regeneration Act 2008. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the members are aware:

- there is no relevant audit information (information needed by the auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the members have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Hailwood & Co. have agreed to offer themselves and are deemed to be re-appointment as auditors in accordance with Section 487 (2) of the Companies Act 2006, at the next annual general meeting.

Small company exemptions

In the preparation of this report, advantage has been taken of special exemptions applicable to small companies under Part 15 of the Companies Act 2006.

On behalf of the Board



Mrs H Hughes
Director

21 March 2016

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT

We have audited the financial statements of the above company for the year ended 30 September 2015 which comprise the Summary Income and Expenditure Account, the Balance Sheet and 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 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 company's members those matters we are required to state to them in an auditors' 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 the board and auditor

As explained more fully in the Board's Responsibilities Statements set out in the Board Report, the board members (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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Board 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2015 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.

Opinion on other matters prescribed by the Companies Act 2006

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

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT (continued)

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 board members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the board was not entitled to prepare the financial statements in accordance with the small companies regime 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.



Adam French B.Eng FCA (Senior Statutory Auditor)

For and on behalf of Hailwood & Co
Chartered Accountants and
Statutory Auditors

Moreton, Wirral
April 2016

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

SUMMARY INCOME AND EXPENDITURE ACCOUNT

for the year ended 30 September 2015

	Note	2015 £	2014 £
Turnover		135,624	129,530
Operating costs		<u>134,078</u>	<u>139,561</u>
Net operating surplus/(deficit) for the year		1,546	(10,031)
Interest receivable and other income	6	<u>4,975</u>	<u>1,967</u>
Surplus/(deficit) on ordinary activities for the year		6,521	(8,064)
Revenue reserve brought forward		<u>706,822</u>	<u>714,886</u>
Revenue reserve carried forward	11	<u><u>713,343</u></u>	<u><u>706,822</u></u>

The Society's only activity was the provision of hostel accommodation

None of the Society's activities were acquired or discontinued during the above two financial periods.

There are no recognised gains and losses in the year ended 30 September 2015 or the year ended 30 September 2014 other than the surplus/(deficit) for the year.

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

BALANCE SHEET AS AT 30 SEPTEMBER 2015

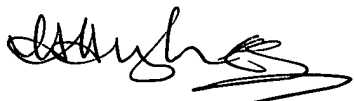
	Note	2015	2014
		£	£
Fixed assets			
Tangible assets			
Housing properties at cost less depreciation		451,488	458,066
Less social housing grant		(59,940)	(59,940)
Other fixed assets		7,812	9,765
	7	<u>399,360</u>	<u>407,891</u>
Current assets			
Debtors and prepayments	8	1,363	1,418
Cash at bank and in hand		321,480	306,550
		<u>322,843</u>	<u>307,968</u>
Creditors:			
Amounts falling due within one year	9	<u>(8,860)</u>	<u>(9,037)</u>
Net current assets		313,983	298,931
Total assets less current liabilities		<u><u>713,343</u></u>	<u><u>706,822</u></u>
Financed by			
Revenue reserve	11	<u>713,343</u>	<u>706,822</u>
		<u><u>713,343</u></u>	<u><u>706,822</u></u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime set out in Part 15 of the Companies Act 2006 , and were approved by the board on 21 March 2016 and signed on its behalf by:

Mrs J Nicholls
Chairman



Mrs H Hughes
Director



Company registration number 926812

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
for the year ended 30 September 2015

1 Status of society

The society is registered under the Companies Act 2006 (registered number 926812) and the Housing and Regeneration Act 2008 Homes and Communities Agency registered number (H2738) and is a registered charity (number 255757).

The society is wholly engaged in hostel activities.

2 Accounting policies

2.1 General

The principal accounting policies of the society are set out in the following subparagraphs:

2.2 Accounting basis

These accounts are prepared under the historical cost convention, in accordance with applicable Accounting Standards in the United Kingdom and in accordance with the Statement of Recommended Practice - Accounting by Registered Social Landlords (SORP) Update 2010, and with the Accounting Direction for private registered social providers of social housing in England 2012.

2.3 Turnover and other income

Turnover comprises rental and service income receivable.

Donations are included as income upon receipt. Any fees in advance which are unlikely to be disputed, will be written off as donations if they have not been reclaimed by the end of each accounting period.

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.

On the disposal of a housing property, the cost and depreciation are written out of the accounts. The lower of the social housing grant and proceeds are transferred to the Recycled Capital Grant Fund. Any surplus or deficit on disposal is disclosed within the notes to the accounts, and if material, on the face of the income and expenditure account.

2.5 Depreciation

2.5.1

Housing land and buildings:

- (i) Depreciation, as defined in (ii) below, is provided on the cost of freehold buildings;
- (ii) Depreciation is not charged on that portion of the cost which has qualified, or which will qualify, for Social Housing Grant;
- (iii) The Society has continued to implement component accounting, as laid down by the SORP 2010. This means that depreciation is charged based on the useful life of each component within its housing properties as follows:

Structure	100 years
Roofs	70 years
Windows and doors	30 years
Electrics	40 years
Bathrooms	30 years
Mechanical systems	30 years
Kitchens	20 years
Central heating systems	15 years
Lifts	20 years

The Society does not depreciate properties whilst they are under construction.

2.5.2

Fixtures, fittings and equipment

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

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
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NOTES ON FINANCIAL STATEMENTS
for the year ended 30 September 2015

2 Accounting policies (continued)

2.6 Impairment

The Society's assets are reviewed for impairment annually.

2.7 Social Housing Grant

Where developments have been financed wholly, or partly, by Social Housing Grant, 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. Although deducting grant from the cost of fixed assets contravenes the Companies Act, it is necessary to show a true and fair view.

Social Housing Grant is repayable in certain circumstances, including the sale of properties.

2.8 Future cyclical and major repairs

It is the board members' policy to charge repairs in the current year. Future major repairs counted for as and when they are carried out.

Any expenditure on replacing components is capitalised. All other repair costs are charged against the income and expenditure account.

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 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.

2.11 Pensions

The society has no pension arrangements for its employees, other than Social Security benefits for 2015. The Society's auto enrolment staging date is 1st February 2016 and this will be run through NEST.

2.12 Reserves

All of the reserves are unrestricted. The board are free to designate any reserves should they so wish.

3 Directors and employees	2015	2014
	£	£
Employee costs:		
Salaries and wages	67,832	68,757
Social security costs	808	1,467
	<hr/>	<hr/>
Salaries and wages	68,640	70,224
	<hr/>	<hr/>
Average number of full time equivalent persons employed during the year	Number	Number
Hostel staff	4	5
Administration staff	-	-
	<hr/>	<hr/>
	4	5
	<hr/>	<hr/>

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
for the year ended 30 September 2015

4 Payments to members, committee members, officers, etc.

	2015	2014
	£	£
Expenses paid to officers of the society who were not employees	197	423

The directors give their time freely, on a voluntary basis.

5 Operating surplus/(deficit)

2015
£

2014
£

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

Depreciation - owned assets	8,531	9,019
Components written off	-	-
Surplus on disposal of assets	-	-

Auditors' remuneration (exclusive of VAT)

- audit fees	1,970	2,003
- audit fees (over)/under provision previous years	(53)	-
- other services	2,293	2,444

6 Interest receivable and other income

2015
£

2014
£

Donations received	4,825	1,776
Bank and short term deposit interest - gross	150	191
Allocated to the Recycled Capital Grant Fund	-	-
	<u>4,975</u>	<u>1,967</u>

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
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NOTES ON FINANCIAL STATEMENTS
for the year ended 30 September 2015

7 Tangible fixed assets

	Freehold housing properties £	Fixtures fitting and equipment £	Total £
Cost			
At 30 September 2014	618,229	40,750	658,979
Additions	-	-	-
Disposals	-	-	-
Components written off	-	-	-
At 30 September 2015	<u>618,229</u>	<u>40,750</u>	<u>658,979</u>
Social Housing Grant			
At 30 September 2014	59,940	-	59,940
Recycled in the year	-	-	-
Disposals	-	-	-
Components written off	-	-	-
At 30 September 2015	<u>59,940</u>	<u>-</u>	<u>59,940</u>
Depreciation			
At 30 September 2014	160,163	30,985	191,148
Charged in year	6,578	1,953	8,531
Released on disposal	-	-	-
Components written off	-	-	-
At 30 September 2015	<u>166,741</u>	<u>32,938</u>	<u>199,679</u>
Net book amount			
At 30 September 2015	<u>391,548</u>	<u>7,812</u>	<u>399,360</u>
At 30 September 2014	<u>398,126</u>	<u>9,765</u>	<u>407,891</u>

The Society owns the freehold to the above property.

The cumulative social housing grant written off on disposal of components amounts to £372. Should the Society ever dispose of the property, then this amount, together with the remaining grant, would be recycled.

The land and buildings are included in the accounts at historical cost, less depreciation and social housing grant. The Directors estimate the open market value to be in the region of £650,000.

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
for the year ended 30 September 2015

8	Debtors	2015 £	2014 £
	Other debtors	1,363	1,418
		<u>1,363</u>	<u>1,418</u>
9	Creditors: amounts falling due within one year	2015 £	2014 £
	Accruals	6,832	7,250
	Rent received in advance	1,807	1,787
	PAYE	221	-
		<u>8,860</u>	<u>9,037</u>
10	Called up share capital	Number	Number
	The company is limited by guarantee and does not have a share capital. The number of members, each of whose liability is limited to £1, at the year end was	4	5
11	Reserves		Revenue Reserve
			£
	At 30 September 2014		706,822
	Surplus/(deficit) for year		6,521
	At 30 September 2015		<u>713,343</u>

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)

NOTES ON FINANCIAL STATEMENTS
for the year ended 30 September 2015

12 Housing stock

	Units under development		Units in management	
	2015	2014	2015	2014
Hostel accommodation				
- Number of bed spaces				
65 Prenton Road West	-	-	13	13
	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>
	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>

The above units are all classed as general needs.

13 Capital commitments

	2015	2014
	£	£
Expenditure contracted but not provided for	-	-
Expenditure authorised but not contracted for:		
- kitchen replacement	8,000	8,000
	<u>8,000</u>	<u>8,000</u>
Commitments due within one year	-	-
Commitments due more than one year	8,000	8,000
	<u>8,000</u>	<u>8,000</u>

The above commitment will be funded by free reserves and is not provided for in the financial statements.

14 Related parties

Control

The society is controlled by its board members whose names are shown on page 1.

THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED
(a company limited by guarantee)
DETAILED HOSTEL PROPERTY REVENUE ACCOUNT
for the year ended 30 September 2015

	2015	2014
	£	£
Income		
Residents' charges and respite	178,172	175,655
Losses arising from vacancies and absences	(42,548)	(46,125)
Other income	-	-
	<hr/> 135,624	<hr/> 129,530
Expenditure		
Management expenses		
Insurance	2,311	2,194
Telephone - administration	-	-
Membership fee - The Abbeyfield Society	3,403	3,401
Auditors' remuneration:		
In their capacity as auditors	2,364	2,404
(over)/under provision for previous years	(64)	-
In respect of other services	2,752	2,933
Legal and professional fees	565	579
Administration fees and sundry	-	-
Stationery, postage and advertising	321	292
Bank charges	30	30
Travel	381	812
Conferences, refreshments and training	126	284
	<hr/> 12,189	<hr/> 12,929
Repairs and maintenance		
Day to day repairs	10,553	10,100
Service costs		
Care and catering		
Employee costs	68,640	70,224
Food costs and cleaning materials	11,905	11,831
Window cleaning	450	609
Garden maintenance	932	1,360
Council tax / rates	755	752
Water rates	1,583	2,718
Heating and lighting	17,211	18,169
Telephone	962	835
Sundry expenses	367	1,015
Depreciation	-	-
Fixtures, fittings and equipment	1,953	2,441
Buildings	6,578	6,578
Components written off	-	-
	<hr/> 111,336	<hr/> 116,532
Total operating costs	<hr/> 134,078	<hr/> 139,561
Operating surplus/(deficit)	<hr/> <hr/> 1,546	<hr/> <hr/> (10,031)