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THE ABBEYFIELD HERWICK SOCIETY LIMITED

FINANCIAL ACCOUNTS FOR THE YEAR ENDED

30TH SEPTEMBER 2000



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THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**FINANCIAL ACCOUNTS**
FOR THE YEAR ENDED 30TH SEPTEMBER 2000**CONTENTS**

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THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**OFFICERS, PROFESSIONAL ADVISERS AND REGISTERED OFFICE****Executive Committee**

R.J. Whinton	Chairman
R.H. Dalglish B.A. (Hons) F.C.A.	Treasurer
Mrs. M.D.C. McCreath	
W.R. Huntly	
A. Dewar	
Miss A.C. Lee	
Mrs. L.A. Butson	
T.H. Lovell	
Mrs. F.M. Hay	
Miss J. Ritchie	
C. Guthrie	

Secretary

Mrs. N. Sandwith

Auditors

J.H. Greenwood & Company
Chartered Accountants and Registered Auditors
Ava Lodge,
Castle Terrace,
Berwick Upon Tweed.

Bankers

Barclays Bank Plc.

Solicitors

T.C. Smith
Solicitors,
Berwick Upon Tweed.

Registered Office

Castlevale House,
Berwick Upon Tweed.

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**REPORT OF THE EXECUTIVE COMMITTEE**

The Executive Committee submits its annual report together with the Accounts for the year ended 30th September 2000.

1. **Principal Activity**

The principal activity of the Society is to provide accommodation, care and companionship for lonely or frail elderly people in accordance with the aims and principles of the Abbeyfield Society Limited.

2. **Status**

The Society is a Company Limited by guarantee (number 952071), having no share capital, and with solely charitable objectives. It is a registered charity (Number 500464).

3. **Review of Business and Results during the year**

The Berwick Society owns two properties which provide supportive care for 17 people in total.

Priority is given to the filling of residential vacancies.

4. **Future Developments**

A site adjoining the Bankhill property is owned by the Society and is available for future development.

5. **Fixed Assets**

Details of the cost and depreciation of Fixed Assets are set out in notes 3 and 7.

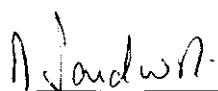
6. **Executive Committee**

The Members of the Executive Committee who served during the year were :-

R.J. Whinton
R.H. Dalgleish B.A. (Hons) F.C.A.
Mrs. M.D.C. McCreath
W.R. Huntly
A. Dewar
Miss A.C. Lee
Mrs. L.A. Butson
T.H. Lovell
Mrs. F.M. Hay
Miss J. Ritchie
C. Guthrie

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**REPORT OF THE EXECUTIVE COMMITTEE**7. **Auditors**

A resolution for the re-appointment of J.H. Greenwood & Company as auditors will be proposed at the Annual General Meeting.



Mrs. N. Sandwith
Secretary

On behalf of the Executive Committee

6th March 2001

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**STATEMENT OF EXECUTIVE COMMITTEE MEMBERS RESPONSIBILITIES**

Company law requires the Executive Committee Members to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the Society as at the end of that year and of the surplus or deficit of the Society for that period. In preparing those Accounts the Executive Committee are required to :

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed;
- State whether applicable statements of recommended practice have been followed; and
- Prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Executive Committee Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and which enable them to ensure that the Accounts comply with the relevant legislation. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention of fraud and other irregularities.

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**REPORT OF THE AUDITORS**
TO THE MEMBERS OF THE ABBEYFIELD (BERWICK) SOCIETY LIMITED

We have audited the Accounts on pages 7 to 17.

Respective Responsibilities of the Executive Committee Members and Auditors

As described on page 5, the Executive Committee Members are responsible for the preparation of Accounts. It is our responsibility to form an independent opinion, based on our audit, on these Accounts and to report our opinion to you.

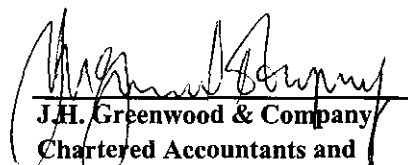
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Accounts. It also includes an assessment of the significant estimates and judgements made by the Executive Committee Members in the preparation of the Accounts, 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 Accounts 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 Accounts.

Opinion

In our opinion the Accounts give a true and fair view of the state of the Society's affairs at 30th September 2000 and of its income and expenditure and cash flows for the year ended on that date, and have been properly prepared in accordance with the Industrial and Provident Societies Act 1965 to 1978, Part III of Schedule I of the Housing Act 1996 and the Registered Social Landlords General Determination 1997 and 1998.



J.H. Greenwood & Company
Chartered Accountants and
Registered Auditors,
Ava Lodge,
Castle Terrace,
Berwick Upon Tweed
TD15 1NP

6th March 2001

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**INCOME AND EXPENDITURE ACCOUNT**
FOR THE YEAR ENDED 30TH SEPTEMBER 2000

	<u>Note</u>	<u>2000</u> £	<u>1999</u> £
<u>TURNOVER</u>	2.3	99,109	87,166
Operating Costs		<u>90,613</u>	<u>85,810</u>
<u>OPERATING SURPLUS</u>		8,496	1,356
Interest Receivable & Similar Income	6	<u>4,148</u>	<u>3,564</u>
<u>SURPLUS ON ORDINARY ACTIVITIES FOR THE YEAR</u>		12,644	4,919
<u>INCOME AND EXPENDITURE BALANCE BROUGHT FORWARD</u>		<u>334,651</u>	<u>329,732</u>
<u>INCOME AND EXPENDITURE BALANCE CARRIED FORWARD</u>		<u><u>347,295</u></u>	<u><u>334,651</u></u>

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 (BERWICK) SOCIETY LIMITED**BALANCE SHEET**
AS AT 30TH SEPTEMBER 2000

	<u>Note</u>	<u>2000</u> £	<u>1999</u> £
<u>TANGIBLE FIXED ASSETS</u>			
Housing Properties			
H.A.G. Assisted Schemes - Cost	3	222,836	222,836
Housing Association Grants	3	(118,736)	(118,736)
		<u>104,100</u>	<u>104,100</u>
Other Housing Properties	3	<u>175,685</u>	<u>175,685</u>
		<u>279,785</u>	<u>279,785</u>
Other Tangible Fixed Assets			
Fixtures, Fittings and Equipment	7	<u>5,609</u>	<u>6,599</u>
		<u>285,394</u>	<u>286,384</u>
<u>CURRENT ASSETS</u>			
Loan to the Abbeyfield Society	8	1,000	1,000
Bank and Building Society Accounts		62,911	49,819
Cash in Hand		<u>20</u>	<u>20</u>
		<u>63,931</u>	<u>50,839</u>
<u>CURRENT LIABILITIES</u>			
Creditors Falling due within One Year	9	<u>2,029</u>	<u>2,572</u>
<u>NET CURRENT ASSETS</u>			
		<u>61,902</u>	<u>48,267</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			
		<u>347,295</u>	<u>329,733</u>
<u>FINANCED BY</u>			
<u>CAPITAL AND RESERVES</u>			
Income and Expenditure - Accumulated Surplus		<u>347,295</u>	<u>329,733</u>
		<u>347,295</u>	<u>329,733</u>

The Accounts were approved by the Executive Committee and signed on its behalf on 6th March 2001.



CHAIRMAN

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH SEPTEMBER 2000**

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
<u>NET CASH INFLOW FROM OPERATING ACTIVITIES</u>		
(Note A)	8,943	1,676
<u>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</u>		
Interest Receivable & Similar Income	4,148	3,564
<u>INVESTING ACTIVITIES</u>		
Purchase of Fixed Assets	<u>-</u>	<u>(6,440)</u>
<u>NET CASH FLOW BEFORE FINANCING</u>	13,091	(1,200)
<u>FINANCING :</u>		
Loans Repaid	<u>-</u>	<u>-</u>
<u>INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (Note B)</u>	<u>13,091</u>	<u>(1,200)</u>
<u>NOTE A</u>		
<u>RECONCILIATION OF OPERATING SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES</u>		
Housing Operating Surplus	8,496	1,356
Adjustment for Non Cash Items - Depreciation	990	1,164
Decrease / (Increase) in Debtors	-	-
Increase / (Decrease) in Creditors	(543)	(843)
Decrease in Stocks	<u>-</u>	<u>-</u>
<u>NET CASH INFLOW FROM OPERATING ACTIVITIES</u>	<u>8,943</u>	<u>1,676</u>
<u>NOTE B</u>		
<u>ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS</u>		
<u>BALANCE AT START OF YEAR</u>	49,840	51,040
Net Cash Inflow / (Outflow)	<u>13,091</u>	<u>(1,200)</u>
<u>BALANCE AT END OF YEAR</u>	<u>62,931</u>	<u>49,840</u>

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**NOTES TO THE ACCOUNTS**
FOR THE YEAR ENDED 30TH SEPTEMBER 2000**1. STATUS OF SOCIETY**

The Society is registered as a Company Limited by guarantee (registered number 952071) and the Housing Act 1974 (Housing Corporation registered number 2374).

The Society is wholly engaged in Hostel 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 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 (the S.O.R.P.) issued by the National Federation of Housing Associations and with Part III of Schedule I of the Housing Act 1996 and the Registered Social Landlords General Determination 1997 and 1998.

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.

2.5 - Depreciation**2.5.1 - Housing Land and Buildings**

No depreciation is charged on housing properties because they are maintained in a state of repair such that the estimated residual value of land and buildings at the date of the balance sheet is not less than their net book amount.

2.5.2 - Fixtures, Fittings and Equipment

Depreciation is charged at 15% per annum on the net book value.

2.5.3 - General

A full years 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.

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**NOTES TO THE ACCOUNTS**
FOR THE YEAR ENDED 30TH SEPTEMBER 2000**2.6 - Housing Association Grant**

Where developments have been financed wholly, or partly, by Housing Association Grant (H.A.G.), the net book value of those developments has been reduced by the amount of grant receivable which is shown separately in the balance sheet.

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 - Corporation Tax and V.A.T.

The Society has charitable status and is exempt from Corporation Tax on the income it has received.

The Society is not registered for V.A.T. Accordingly no V.A.T. is charged to residents, and expenditure in the Income and Expenditure Account includes the relevant V.A.T.

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**NOTES TO THE ACCOUNTS**
FOR THE YEAR ENDED 30TH SEPTEMBER 20003. **HOUSING LAND AND BUILDINGS**

	<u>2000</u>	<u>1999</u>
	£	£
<u>H.A.G. Assisted Schemes Freehold</u>		
<u>Cost</u> - Completed Schemes at 30th September 1999	222,836	217,396
Additions	<u>-</u>	<u>5,440</u>
At 30th September 2000	<u><u>222,836</u></u>	<u><u>222,836</u></u>
<u>Housing Association Grants</u>		
At 30th September 1999 and 30th September 2000	<u><u>(118,736)</u></u>	<u><u>(118,736)</u></u>
<u>Net Book Amount</u>	<u><u>104,100</u></u>	<u><u>104,100</u></u>
<u>Other Properties - Freehold</u>		
<u>Cost</u> - At 30th September 1999	175,685	174,685
Additions	<u>-</u>	<u>1,000</u>
<u>Net Book Amount</u>	<u><u>175,685</u></u>	<u><u>175,685</u></u>

4. **EMPLOYEES**

	<u>2000</u>	<u>1999</u>
	£	£
<u>Employee Costs :</u>		
Salaries and Wages	41,486	37,902
Social Security	<u>5,232</u>	<u>4,972</u>
	<u><u>46,718</u></u>	<u><u>42,874</u></u>

5. **PAYMENTS TO COMMITTEE MEMBERS, OFFICERS ETC.**

No fees, remuneration or expenses were paid to any member during the year.

6. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	<u>2000</u>	<u>1999</u>
	£	£
Rents Received	2,493	650
Donations Received	636	-
Building Society Interest Gross	<u>1,019</u>	<u>2,914</u>
	<u><u>4,148</u></u>	<u><u>3,564</u></u>

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**NOTES TO THE ACCOUNTS**
FOR THE YEAR ENDED 30TH SEPTEMBER 20007. **FIXTURES, FITTINGS AND EQUIPMENT**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>Cost</u> - at 30th September 1999	18,190	18,190
Additions	-	-
At 30th September 2000	<u>18,190</u>	<u>18,190</u>
<u>Depreciation</u>		
At 30th September 1999	11,591	10,427
Charge for Year	990	1,164
At 30th September 2000	<u>12,581</u>	<u>11,591</u>
<u>Net Book Amount</u>	<u>5,609</u>	<u>6,599</u>

8. **LOAN TO THE ABBEYFIELD SOCIETY**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
This Loan is undated and interest free	<u>1,000</u>	<u>1,000</u>

9. **CREDITORS AND ACCRUALS DUE WITHIN ONE YEAR**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Creditors	1,309	1,872
Accruals	720	700
	<u>2,029</u>	<u>2,572</u>

10. **HOUSING STOCK**

	<u>Units in Management</u>	
	<u>2000</u>	<u>1999</u>
Hostel Accommodation - Number of Bed Spaces	<u>17</u>	<u>18</u>

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**DETAILED HOSTEL PROPERTY REVENUE ACCOUNT**
FOR THE YEAR ENDED 30TH SEPTEMBER 2000

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>INCOME</u>		
Residential Charges Receivable	105,413	102,215
Losses Arising from Vacancies	(6,304)	(15,049)
	<u>99,109</u>	<u>87,166</u>
Donations	636	-
Interest Received	1,019	2,914
Rent Received	2,493	650
	<u>103,257</u>	<u>90,730</u>
<u>EXPENDITURE</u>		
Management Expenses		
Membership Fees	2,579	2,850
Professional Fees	2,625	-
Auditors Remuneration	725	670
Depreciation of Fixtures, Fittings & Equipment	990	1,164
	<u>6,919</u>	<u>4,684</u>
Repairs and Maintenance		
Current	<u>11,997</u>	<u>11,905</u>
Service Costs		
Care and Catering Employee Costs	46,718	42,874
Food, Provisions Etc.	13,537	13,487
	<u>60,255</u>	<u>56,361</u>
Rates and Insurance	4,380	4,666
Heat and Light	5,819	6,607
Printing, Postage, Stationery and Telephone	683	866
Sundry Expenses	560	722
	<u>11,442</u>	<u>12,861</u>
Total Expenditure	<u>90,613</u>	<u>85,811</u>
<u>NET SURPLUS</u>	<u><u>12,644</u></u>	<u><u>4,919</u></u>

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**GENERAL INCOME AND EXPENDITURE ACCOUNT**
FOR THE YEAR ENDED 30TH SEPTEMBER 2000

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>(DEFICIT)/SURPLUS ON HOSTEL ACCOUNTS</u>		
Castlevale	5,234	6,422
Bankhill	9,359	(383)
	<u>14,593</u>	<u>6,039</u>
<u>OTHER INCOME</u>		
Donations	636	-
Interest Received	1,019	2,914
Rent Received	2,493	650
	<u>4,148</u>	<u>3,564</u>
	<u>18,741</u>	<u>9,603</u>
<u>EXPENDITURE</u>		
Membership Fees	2,579	2,850
Professional Fees	1,803	-
Auditors Remuneration	725	670
Depreciation on Fixtures, Fittings and Equipment	990	1,164
	<u>6,097</u>	<u>4,684</u>
<u>NET SURPLUS</u>	<u><u>12,644</u></u>	<u><u>4,919</u></u>

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**CASTLEVALE
HOSTEL ACCOUNT****FOR THE YEAR ENDED 30TH SEPTEMBER 2000**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>INCOME</u>		
Residential Charges Receivable	48,155	46,580
Losses Arising from Vacancies	(1,689)	(4,721)
	<u>46,466</u>	<u>41,859</u>
<u>DIRECT EXPENSES :</u>		
Wages	21,135	20,895
Food, Provisions Etc.	6,768	7,166
Rates and Insurances	2,519	2,072
Heat and Light	2,478	2,916
Repairs and Maintenance	7,124	1,840
	<u>40,024</u>	<u>34,889</u>
	<u>6,442</u>	<u>6,970</u>
<u>OTHER EXPENDITURE</u>		
Printing, Postage, Stationery and Telephone	260	313
Sundry Expenses	125	235
Professional Fees	823	-
	<u>1,208</u>	<u>548</u>
<u>SURPLUS FOR YEAR</u>	<u><u>5,234</u></u>	<u><u>6,422</u></u>

THE ABBEYFIELD (BERWICK) SOCIETY LIMITED**BANKHILL
HOSTEL ACCOUNT****FOR THE YEAR ENDED 30TH SEPTEMBER 2000**

	<u>2000</u> £	<u>1999</u> £
<u>INCOME</u>		
Residential Charges Receivable	57,258	55,635
Losses Arising from Vacancies	(4,615)	(10,328)
	<u>52,643</u>	<u>45,307</u>
<u>DIRECT EXPENSES :</u>		
Wages	25,584	21,979
Food, Provisions Etc.	6,768	6,321
Rates and Insurances	1,861	2,594
Heat and Light	3,341	3,691
Repairs and Maintenance	4,872	10,065
	<u>42,426</u>	<u>44,650</u>
	<u>10,217</u>	<u>657</u>
<u>OTHER EXPENDITURE</u>		
Printing, Postage, Stationery and Telephone	423	553
Sundry Expenses	435	487
	<u>858</u>	<u>1,040</u>
<u>(DEFICIT)/SURPLUS FOR YEAR</u>	<u>9,359</u>	<u>(383)</u>