

**THE ABBEYFIELD (LYME REGIS &
DISTRICT) SOCIETY LIMITED**

**TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
30 SEPTEMBER 2016**

**COMPANY REGISTRATION
NUMBER
00977174**

**CHARITY NUMBER
261463**

**HOMES AND COMMUNITIES
AGENCY NUMBER
H2698**



THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

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THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Status	The Society is a company limited by guarantee registered in England under the Companies Act 1948, number 00977174, and registered as a charity, number 261463. The Society is registered with the Homes and Communities Agency as a Registered Social Landlord, number H2698. The Society is governed by its Memorandum and Articles of Association dated 15 April 1970.	
Charity number	261463	
Company registration number	00977174	
Homes and Communities Agency number	H2698	
Business address	The Abbeyfield House Westhill Silver Street Lyme Regis, Dorset DT7 3HS	
Executive Committee	Mrs D Bailey Revd. Canon D Lawrence Mr J W Duncan Mr R O'Sullivan Mrs C Lovell Mr T Bacon C Gould J Culham	Chairman Vice Chairman Treasurer Appointed 05/11/2015 Appointed 09/05/2016
Auditors	Thomas Westcott Timberly South Street Axminster Devon EX13 5AD	
Bankers	Natwest Bank Plc 22 Broad Street Lyme Regis Dorset, DT7 3QG	
Solicitors	Michelmores Woodwater House Pynes Hill Exeter EX2 5WR	

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

REPORT OF THE COMMITTEE MEMBERS (INCORPORATING THE DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

The committee members present their report and the financial statements for the year ended 30 September 2016. The executive committee, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Recruitment, appointment, induction and training of new trustees

In accordance with the Articles of Association of the Society, one third of the Executive Committee retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.

Organisational structure

The Society is run by the Executive Committee who meet regularly to discuss and manage the daily operations of the Society.

Identification of Business Risks

The Executive Committee have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established so that the necessary steps can be taken to lessen those risks.

Public Benefit

The Committee have complied with their duty under section 4 of the Charities Act 2011 to have had due regard to the guidance on public benefit published by the Charity Commission.

Objectives and activities

Principal Activity

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

Achievements and performance

Review of Business and Results During the Year

The financial results for the year are set out in the statement of comprehensive income and the position at the end of the year is shown in the statement of financial position. The detailed Property Revenue Account is presented on the supplementary pages.

Net residual residential income has increased by just under 2% during the year. An increase in rents charged with very little change in the level of voids has contributed to this.

Reserves policies

The reserves policies of the Trust are reviewed regularly by the trustees.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

REPORT OF THE COMMITTEE MEMBERS (INCORPORATING THE DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Statement as to disclosure of information to auditors

In so far as the committee members are aware:

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

Statement of members' responsibilities

The executive committee are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the executive committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the executive committee are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The executive committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Auditors

Thomas Westcott are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

REPORT OF THE COMMITTEE MEMBERS (INCORPORATING THE DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2016

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.

This report was approved by the trustees on.....8/5/17..... and signed on their behalf

Diana M Bailey

Chairman

Mrs D Bailey

Richard O'Sullivan

Trustee

Mr R O'Sullivan

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

We have audited the financial statements of The Abbeyfield (Lyme Regis & District) Society Limited for the year ended 30 September 2016 which comprise the statement of comprehensive income, the statement of changes in reserves, the statement of financial position, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 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 association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the committee members and auditors

As explained more fully in the Committee Member's Responsibilities Statement set out on page 3 the committee members (who are also the directors of the association 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 Standard for Auditors.

Scope of the audit of the financial statements

An audit involved 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 association'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 the financial and non financial information in the trustees report 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 misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 30 September 2016 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.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

Opinion on other matter prescribed by the Companies Act 2006

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


Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches 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 members were 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 your opinion:

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



S Carrington FCA - Senior Statutory Auditor

For and on behalf of Thomas Westcott

Timberly

South Street

Axminster

EX13 5AD

23-5-17

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	2015 £
Turnover	4	106,771	104,794
Operating expenditure		(92,557)	(93,130)
Operating profit/ (loss)		14,214	11,664
Legacy income	3	981	-
Investment income	5	1,472	1,469
Net gain from disposal of investments		-	3,317
Surplus for the year		16,667	16,450
Unrealised gain/(loss) on investments		6,746	(3,371)
Total comprehensive income for the year		23,413	13,079

STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Revenue reserves £	Revaluation reserves £	Designated reserves £	Total £
Restated balance as at 1 October 2014	(8,694)	80,339	14,219	85,864
2015 restated surplus/ (deficit) from statement of comprehensive income	13,079	-	-	13,079
Restated balance at 30 September 2015	4,385	80,339	14,219	98,943
2016 surplus/ (deficit) from statement of comprehensive income	23,413	-	-	23,413
Balance at 30 September 2016	27,798	80,339	14,219	122,356

The notes on pages 12 to 21 form an integral part of these financial statements.

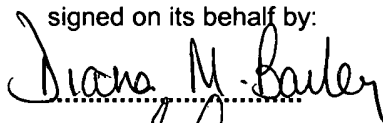
THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

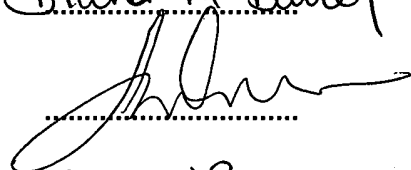
FOR THE YEAR ENDED 30 SEPTEMBER 2016

All activities derive from continuing operations and all income and expenditure for the current and prior year is unrestricted.

The financial statements were approved by the Executive Committee on 8/5/17 and signed on its behalf by:


.....

Mrs D Bailey - Chairman


.....

Mr J W Duncan - Treasurer


.....

Mr R O'Sullivan - Trustee

The notes on pages 12 to 21 form an integral part of these financial statements.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Housing properties					
Cost	10		70,395		71,512
Fixtures and fittings			4,339		4,675
			<u>74,734</u>		<u>76,187</u>
Current assets					
Debtors	11	991		1,253	
Investments	12	53,941		47,195	
Cash at bank and in hand		43,126		24,945	
		<u>98,058</u>		<u>73,393</u>	
Creditors: amounts falling due within one year	13	(7,485)		(7,004)	
Net current assets			<u>90,573</u>		<u>66,389</u>
Total assets less current liabilities			165,307		142,576
Creditors: amounts falling due after more than one year	14		(1)		(1)
Accruals and deferred income	15		(42,950)		(43,632)
Net assets			<u>122,356</u>		<u>98,943</u>
Capital and reserves					
Unrestricted income funds:	16				
Revenue surplus reserve			27,798		4,385
General reserves			80,339		80,339
Designated reserves			14,219		14,219
Total funds			<u>122,356</u>		<u>98,943</u>

The notes on pages 12 to 21 form an integral part of these financial statements.

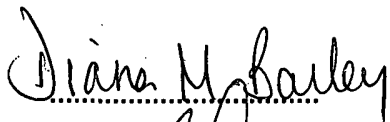
THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

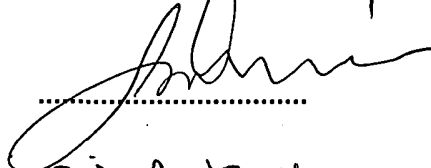
AS AT 30 SEPTEMBER 2016

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Executive Committee on 8/5/17 and signed on its behalf by:


.....

Mrs D Bailey - Chairman


.....

Mr J W Duncan - Treasurer


.....

Mr R O'Sullivan - Trustee

The notes on pages 12 to 21 form an integral part of these financial statements.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Notes	2016 £	2015 £
Surplus for the year		16,667	16,450
Income from investments		(1,467)	(1,467)
Interest receivable		(5)	(2)
Profit/(loss) on disposal of fixed assets		(30)	-
Depreciation and impairment		1,883	1,943
Decrease/(Increase) in debtors		262	(515)
Increase in creditors		481	2,342
Decrease in deferred income		(682)	(682)
Gain/(loss) on disposal of listed investments		-	(3,317)
Net cash inflow from operating activities		17,109	14,752
Cash flows from investing activities			
Returns on investments and servicing of finance	18	1,472	1,469
Proceeds from sale of investments	18	-	10,000
Purchase of tangible fixed assets	18	(430)	(2,295)
Disposal of fixed assets	18	30	-
Net cash from investing activities		1,072	9,174
Increase in cash in the year		18,181	23,926
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the year		18,181	23,926
Net funds at 1 October 2015		24,945	1,019
Net funds at 30 September 2016		43,126	24,945

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. Status of Trust

The Society is a company limited by guarantee registered in England under the Companies Act 1948, number 00977174, and registered as a charity, number 261463. The Society is registered with the Homes and Communities Agency as a Registered Social Landlord, number H2698. The Society is governed by its Memorandum and Articles of Association dated 15 April 1970.

2. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

2.1. Basis of accounting

The financial statements have been prepared in accordance with applicable financial reporting standards, the Statement of Recommended Practice: Accounting by Registered Social Housing Providers (Housing SORP 2014), and with the Accounting Direction for private registered providers of social housing in England 2015.

FRS102 has been adopted for the first time in the preparation of these financial statements. The date of transition to FRS102 was 30 September 2014. Further information regarding the impact that FRS102 has had is given in the notes to the accounts.

The financial statements are prepared on the historical cost basis of accounting, modified by the revaluation of fixed asset investments.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2.2. Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the trust without further specific purpose and which the charity may use for its purpose at its discretion.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Future Cyclical and Major Repairs

The Society manages only very sheltered housing and thus there is no contribution from rent surplus fund to major repairs.

It is the Executive Committee's opinion that amounts will be required for future cyclical and major repairs in the medium and long term and therefore amounts have been carried forward to designated reserves.

The amounts so set aside are based on the Society's obligation to carry out such works on a continuing basis for the future cyclical maintenance and major repairs of its property, based on planned programmes of works for which Social Housing Grants will not be available.

2.3. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from investments is included in the year in which it is receivable.

2.4. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

2.5. Capital Grants

Social housing grants for capital expenditure are recognised in income over the useful life of the housing property structure under the accruals model. Other capital grants received from non-government sources are recognised in income when the proceeds are received using the performance model.

In the circumstances where Social Housing Grant is treated as a grant towards revenue expenditure, it is matched with the expenditure to which it relates by crediting the income and expenditure account as part of turnover, and disclosed separately within the turnover note. The corresponding expenditure is shown under operating costs.

Government grants released on sale of a social housing property may be repayable but are normally available to be recycled and are credited to a Recycled Capital Grant Fund and included in the statement of financial position as creditors.

2.6. Tangible fixed assets and depreciation

The Trust operates a continuing programme of refurbishment and maintenance and consequently the lives of the properties and their residual values are such that the depreciation charge and the accumulated depreciation would be immaterial. No depreciation is therefore charged.

Freehold properties	-	Straight line over the life of the asset
Fixtures, fittings and equipment	15%	reducing balance

2.7. Investments

Current asset investments are valued at market value.

1.8. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the key sources of estimation uncertainty are:

- Property, plant and equipment (PPE) - PPE are depreciated over their useful lives taking into account estimated residual values where appropriate.

- Investments - The most critical estimates, assumptions and judgements relate to the determination of carrying value and these are determined by BlackRock Investments.

3. Legacy income

	Unrestricted £	2016 £	2015 £
Donations in memory of	981	981	-
	<u>981</u>	<u>981</u>	<u>-</u>

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

4. Turnover

	2016 £	2015 £
Residents' charges	136,076	132,032
Resident contributions and guest room income	836	1,025
Losses from voids	(30,141)	(28,263)
	<u>106,771</u>	<u>104,794</u>

5. Investment income

	2016 Total £	2015 Total £
Bank interest receivable	5	2
Income from investments	1,467	1,467
	<u>1,472</u>	<u>1,469</u>

6. Capital Grants

The total accumulated amount of capital grants received or receivable at the balance sheet date (i.e. grants received or receivable since their inception) was:

	2016 Total £	2015 Total £
Social Housing Grant	68,176	68,176
Abbeyfield Grant	4,000	4,000
Monmouth House Trust	12,010	12,010
	<u>84,186</u>	<u>84,186</u>

Social Housing Grant is repayable under certain circumstances, primarily following the sale of a property, but will normally be restricted to net proceeds of sale.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

7. Net incoming resources for the year

	2016	2015
	£	£
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	766	825
Auditors' remuneration (including VAT)	1,525	1,277
Auditors' remuneration - Accountancy	600	575
	<u> </u>	<u> </u>

8. Employees

Employment costs	2016	2015
	£	£
Wages and salaries	<u>41,853</u>	<u>39,110</u>

No salaries or wages have been paid to the committee members during the year.

No employee received emoluments of more than £60,000.

Number of employees

The average monthly numbers of employees (including the committee members) during the year was

2016	2015
Number	Number
<u>6</u>	<u>6</u>

9. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. Tangible fixed assets	Land and buildings freehold £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 October 2015	106,275	24,640	130,915
Additions	-	430	430
At 30 September 2016	<u>106,275</u>	<u>25,070</u>	<u>131,345</u>
Depreciation and impairment provisions			
At 1 October 2015	34,763	19,965	54,728
Charge for the year	1,117	766	1,883
At 30 September 2016	<u>(35,880)</u>	<u>20,731</u>	<u>1,883</u>
Net book values			
At 30 September 2016	<u>70,395</u>	<u>4,339</u>	<u>74,734</u>
At 30 September 2015	<u>71,512</u>	<u>4,675</u>	<u>76,187</u>

11. Debtors

	2016 £	2015 £
Prepayments and accrued income	<u>991</u>	<u>1,253</u>

12. Current asset investments

	2016 £	2015 £
Abbeyfield East Devon Extra Care Society Limited	1	1
Charishare Common Investment Fund - Listed Investment	32,066	32,066
	<u>32,067</u>	<u>32,067</u>
Market valuation of listed investments	<u>53,941</u>	<u>47,195</u>

Due to the nature of the investments they are not treated as cash equivalents when considering the cash flow for the year.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

13. Creditors: amounts falling due within one year

	2016	2015
	£	£
Other creditors	822	822
Accruals and deferred income	6,663	6,182
	<u>7,485</u>	<u>7,004</u>

14. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Housing Property Finance - Housing Corporation	<u>1</u>	<u>1</u>

The Housing Property Finance is secured by a charge on the Society's House.

15. Accruals and deferred income

	2016	2015
	£	£
Deferred income		
At 1 October 2015	43,632	44,314
Released in year	(682)	(682)
At 30 September 2016	<u>42,950</u>	<u>43,632</u>

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

16. Fund analysis

	At 1 October 2015 £	Incoming resources £	Outgoing resources £	At 30 September 2016 £
General Reserves				
Revenue surplus reserve	4,385	115,970	(92,557)	27,798
Miss Byford Memorial Fund	80,000	-	-	80,000
Miss Byford Legacy	339	-	-	339
Designated Reserves				
Future Cyclical and Major Repairs Reserve	7,137	-	-	7,137
Improvements Reserve	7,082	-	-	7,082
	<u>98,943</u>	<u>115,970</u>	<u>(92,557)</u>	<u>122,356</u>

17. Accommodation in management

At 30 September 2016 the Society had 9 units in management (30 September 2015 : 9). No units were under development.

18. Gross cash flows

	2016 £	2015 £
Returns on investments and servicing of finance		
Income from other investment assets	1,467	1,467
Interest received	5	2
	<u>1,472</u>	<u>1,469</u>
Capital expenditure and financial investment		
Payments to acquire tangible assets	(430)	(2,295)
Receipts from sales of tangible assets	30	-
Receipts from sales of investments	-	10,000
	<u>(400)</u>	<u>7,705</u>

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

19. Transition to FRS 102

The Society has adopted FRS102 for the year ended 30 September and has restated the comparative prior year amounts.

Capital grants were previously netted off the cost of the related asset.

Under FRS102, government grants (which social housing grants are) must be accounted for using the accruals model or the performance model. The society has decided to adopt the accruals model for government grants, as required by SORP 2014.

Under the accruals model, the government grants have been allocated to the related assets and amortised over the useful economic life of those assets. The unamortised amount is held within deferred income. This means that the grant income is released in line with the depreciation policy.

Other grants for housing property, of which the Society had £16,010, must now be accounted for under the performance model per FRS102. Under the performance model grants must be released to the statement of comprehensive income during the year in which they are receivable.

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

20. Reconciliation of surplus and reserves under previous framework to reserves under FRS102

Reserves

Revenue reserves at transition date of 01 October 2014 under old UK GAAP.	476
Depreciation now included on social housing property	(33,646)
Fully recognise other grants under the performance model	16,010
Recognition of deferred government grants under accruals model	23,862
	<u>6,226</u>
Restated revenue reserves at 01 October 2014 under FRS102	6,702
Revenue reserves at 30 September 2015 under old UK GAAP	(1,406)
Sum of the above adjustments at the transition date	6,226
Depreciation in the year ended 30 September 2015	(1,117)
Release of deferred income in the year ended 30 September 2015	682
	<u>5,791</u>
Restated revenue reserves at 30 September 2015 under FRS102	4,385
Revenue reserves at 30 September 2016 under old UK GAAP	16,216
Sum of the above transitions at the transition date	6,226
Sum of the above adjustments in the comparative period	5,791
Depreciation in the year ended 30 September 2016	(1,117)
Release of deferred income in the year ended 30 September 2016	682
	<u>11,582</u>
Restated revenue reserves at 30 September 2016 under FRS102	27,798

The FRS102 adjustments effect the revenue reserve only.

The above reconciliation shows the effect that adopting FRS102 has had on the reported revenue reserves of the Society.

Surplus for the current and prior year

2015 surplus under old UK GAAP	13,514
Adjustment for depreciation	(1,117)
Adjustment for deferred grant income release	682
Restated surplus under FRS102	13,079
2016 surplus under old UK GAAP	23,848
Adjustment for depreciation	(1,117)
Adjustment for deferred grant income release	682
Restated surplus under FRS102	23,413

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2016

	2016 £	2015 £
Incoming resources		
Turnover		
Residents' charges	136,076	132,032
Resident contributions and guest room income	836	1,025
Losses from voids	(30,141)	(28,263)
Net Income From Residents' Charges	106,771	104,794
Total incoming resources	106,771	104,794
Resources expended		
Service Costs		
Wages and salaries	41,853	39,110
Food, household and cleaning	13,489	13,959
Garden maintenance	2,543	1,144
Council tax	1,740	2,624
Water rates	3,754	2,734
Heating and lighting	7,392	9,427
Depreciation - Fixtures, fittings and equipment	1,883	1,942
Profit/(Loss) on disposal	(30)	-
Release of social housing grant	(682)	(682)
Management Expenses		
Insurance	2,326	2,170
Membership fee - The Abbeyfield Society	2,405	2,646
Telephone cost and TV licence	1,169	1,526
Stationery, postage and advertising	275	171
Vehicle and other travel expenses	15	135
Audit & accountancy	2,125	1,852
Sundries	695	318
Bank charges	150	150
Repairs and Maintenance		
Repairs and Maintenance	11,455	13,904
Total expenditure	92,557	93,130
Operating profit/ (loss) for the financial year	14,214	11,664

THE ABBEYFIELD (LYME REGIS & DISTRICT) SOCIETY LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2016

Other incoming resources

Legacy income	981	-
Investment income	1,472	1,469
Net gain from disposal of investments	-	3,317
Unrealised gain/ (loss) on investments	6,746	3,371
Total comprehensive income for the year	23,413	13,079