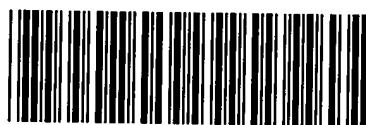


ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2015

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ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2015

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**ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)**

**REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2015**

The Executive Committee has pleasure in submitting its annual report, together with the audited financial statements, for the year ended 31st March 2015.

COMPANY NUMBER:	00996404
CHARITY NUMBER:	500644
HOUSING CORPORATION NUMBER:	HO228
GOVERNING DOCUMENTS:	Memorandum of Association which establishes the objects and powers of the Society, and Articles of Association, which governs the charity.
LEGAL FORM:	Company limited by guarantee, having no share capital.
REGISTERED OFFICE:	7/8 Priestgate Darlington County Durham DL1 1NL
EXECUTIVE COMMITTEE:	Mr. R. Morrow (Chairman) Mr. G. Lowes Mrs. D. Walton Mrs. J. Watson (Minute Secretary) Mr. T. W. Harrison (Vice Chairman) Mrs. J. Carling Miss M. Green Mrs. H. Scott Dr. R. James The members of the Executive Committee constitute Directors of the Society for Companies Act purposes.
SECRETARY:	T. W. Harrison
AUDITORS:	JBC Accountants Limited Swift House, Falcon Court Preston Farm Stockton-on-Tees Cleveland TS18 3TX
BANKERS:	Barclays Bank plc Leicester LE87 2BB
SOLICITORS:	Latimer Hinks 5-8 Priestgate Darlington County Durham DL1 1NL

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 31ST MARCH 2015

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. This activity falls wholly within hostel housing activities as defined in the Housing and Regeneration Act 2008.

Business Review

The Society runs three houses for the elderly in Darlington, being Sir Charles Starmer House, J. F. Latimer House and Earl Keelan House.

The Society's principal source of funding is the monthly charges received from residents for their room and meals. Refurbishment works have been incurred at Earl Keelan House which has increased the number and quality of rooms available to residents. 26 rooms were available during the year compared to 24 in the previous year.

Income from social housing rents has increased from £278,456 to £318,331; the average rent per resident has increased from £10,841 to £12,189.

The surplus for the year before transfers to reserves is £64,767 (2014: Deficit £537) as set out in the Income and Expenditure Account on Page 6. The position at the end of the year is shown in the Balance Sheet on Page 7.

The Executive Committee considers that the state of affairs of the Society is satisfactory.

Risk Management

The Executive Committee is responsible for the management of the risks faced by the Society. Risk has been considered, identified, assessed and controls have been established. An annual review will be undertaken to reassess risk. The Executive Committee recognise that the controls established can only provide reasonable assurance that major risks have been adequately mitigated.

Reserves

The Executive Committee has reviewed the resources of the Society and is satisfied that the current levels are more than satisfactory to allow the Society to run efficiently and to provide uninterrupted services to its users.

Public Benefit

The Executive Committee have complied with the duty in Section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission (ie public benefit statement).

**ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)**

**REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31ST MARCH 2015**

Statement of Executive Committee Responsibilities

The 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 Society and of the results of the Society for that year.

In preparing those financial statements the Executive Committee is 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;

The Executive Committee is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Society and enables them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England from April 2012. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Executive Committee acknowledges its ultimate responsibility for ensuring that the Society has in place a system of control that is appropriate to the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:

- the maintenance of proper accounting records;
- the reliability of financial information used within the Society;
- the reliability of financial information used for publication; and
- the safeguarding of assets against unauthorised use or disposition.

It is the responsibility of the Executive Committee to establish and maintain systems of internal financial control. Such systems can only provide reasonable assurance against material misstatement or loss and include:

- the use of formal procedures and policies, including the documentation of systems and rules relating to delegation of authority;
- employing suitably qualified staff who take responsibility for important business functions;
- the preparation of budgets and forecasts which enable the Executive Committee to monitor the financial objectives for both the medium-term and the year, together with the prompt preparation of management accounts to allow investigations of variances;
- ensuring that all major projects are authorised by a planning committee comprising members of the Executive Committee; and
- the use of established formal procedures for appropriate action to correct weaknesses when identified.

**ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)**

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 31ST MARCH 2015

The Executive Committee has reviewed the effectiveness of the system of internal financial controls in the year ended 31st March 2015. No weaknesses in internal control resulted in material losses, contingencies or uncertainties.

Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution for the re-appointment of JBC Accountants Limited as auditors of the company is to be proposed at the Annual General Meeting.

On behalf of the Executive Committee



.....
T. W. Harrison, Secretary

27th July 2015.....
Date

**ABBEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ABBEYFIELD DARLINGTON SOCIETY LIMITED**

We have audited the financial statements of Abbeyfield (Darlington) Society Limited for the year ended 31st March 2015 which comprise the Income and Expenditure Account, the Balance Sheet and the related Notes. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein. 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, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England from April 2012. 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 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 Society and the Society's members as a body for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE AND AUDITORS

As explained more fully in the Statement of the Executive Committee's responsibilities (set out on pages 3 and 4), the Committee is responsible for the preparation of financial statements which 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 & 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 as 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 Executive Committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Executive Committee to identify material inconsistencies with the audited financial statements. 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 at 31st March 2015 and of its surplus for the year then ended;
- have been properly prepared in accordance with the Companies Act 2006 and the Housing and Regeneration Act 2008.

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:

- a satisfactory system of control over transactions has not been maintained; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we require for our audit.

Signed: JBC Accountants Limited

Dated: 6th August 2015

JBC Accountants Limited
Statutory Auditor
Swift House
Falcon Court
STOCKTON-ON-TEES
TS18 3TX

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST MARCH 2015

		2015	2014
	<u>Note</u>	£	£
TURNOVER	3	374,077	325,180
Operating costs	5	(311,546)	(326,638)
		<hr/>	<hr/>
OPERATING SURPLUS/(DEFICIT)		62,531	(1,458)
Interest receivable and similar income	6	2,236	921
		<hr/>	<hr/>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES FOR THE YEAR		<hr/> 64,767 <hr/>	<hr/> (537) <hr/>

The Society's only activity is the provision of hostel accommodation.

All turnover is considered to be unrestricted and the results relate wholly to continuing activities.

The Society has no recognised gains or losses other than those included above.

There is no material difference between the surplus for the year on ordinary activities and its historical cost equivalent.

The notes on pages 8 to 15 form part of the Financial Statements.

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31ST MARCH 2015


		2015	2014
	<u>Note</u>	£	£
TANGIBLE FIXED ASSETS			
Housing, land and buildings:-			
Cost or valuation	8	1,202,630	1,199,690
Other land and buildings	8	475,000	475,000
Fixtures and fittings	8	5,311	896
		<hr/> 1,682,941	<hr/> 1,675,586
CURRENT ASSETS			
Debtors	9	6,993	5,709
Cash in bank and in hand		483,097	455,171
		<hr/> 490,090	<hr/> 460,880
CREDITORS : Amounts falling due within one year	10	(21,489)	(49,691)
		<hr/>	<hr/>
NET CURRENT ASSETS		468,601	411,189
		<hr/>	<hr/>
NET ASSETS		2,151,542	2,086,775
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Endowment reserve	12	98,000	98,000
Designated reserves :-			
Cyclical repairs reserve	12	14,000	14,000
Revenue reserve	12	1,965,970	1,901,203
General charitable reserve	12	73,572	73,572
		<hr/> 2,151,542	<hr/> 2,086,775
		<hr/>	<hr/>

The notes on pages 8 to 16 form part of these Financial Statements.

The financial statements were approved by the Executive Committee on 27th July 2015 and signed on its behalf by:-


R. Morrow


T. W. Harrison


D. Walton

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

1. STATUS OF THE SOCIETY

The Society is registered under the Companies Act 2006 (registered number 00996404) and the Housing Act 1974 (registered number HO228) and is a registered charity (registered number 500644).

The Society is wholly engaged in hostel activities as defined in the Housing and Regeneration Act 2008.

2. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention (adjusted by the revaluation of Sir Charles Starmer House) in accordance with Companies Act 2006, Housing and Regeneration Act 2008, applicable Accounting Standards, the Statement of Recommended Accounting Practice (SORP): Accounting by Registered Social Housing Providers: Update 2010 and the Accounting Direction for Social Housing in England from April 2012.

(b) Turnover

Turnover comprises of residential charges receivable, together with rental income.

(c) Fixed Assets

(i) Housing, Land and Buildings

Housing, land and buildings are stated at cost or valuation. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable, less Social Housing Grants. Interest payable is capitalised by applying the Society's cost of borrowing to expenditure during construction of the property up to the date of practical completion. Housing properties in the course of construction are stated at cost and are transferred into housing properties when completed.

Expenditure on housing properties, which results in an enhancement of the economic benefits arising from the properties, or is considered to be the replacement or restoration of an item is capitalised.

(ii) Fixtures, Fittings and Equipment

Assets donated to the Society are not included in the Balance Sheet. Other Assets are included at cost.

(d) Depreciation

(i) 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 is not less than their net book value. The annual charge would therefore be immaterial.

(ii) Fixtures, Fittings and Equipment

Depreciation is charged on the straight line basis at 20% per annum on cost. A full year's depreciation is charged on fixed assets in the year of purchase but no charge is made in the year of disposal.

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

(e) Provision for Cyclical Repairs and Maintenance

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 previously set aside as provisions have been carried forward to designated reserves. Amounts similar to those provided in previous years will continue to be set aside as reserves in future years.

The amounts to be set aside are based on the Society's obligation to carry out works on a continuing basis for the future cyclical maintenance and major repairs of its properties, based on planned programmes of work for which SHG will not be claimed.

(f) 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.

(g) 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.

(h) Pensions

The Society operates a Stakeholder Pension Scheme. Contributions equal to 5% of employees' basic earnings are charged to the Income and Expenditure Account and represent amounts applicable to the year for those employees who have joined the scheme.

(i) Cash Flow Statement

The Society has taken advantage of the exemption within Financial Reporting Standard No. 1 in not presenting a Cash Flow Statement.

(j) Donations and Bequests

Donations and bequests received by the Society are credited to the Income and Expenditure Account on a receipts basis and transferred annually to a fund designated for their specific use.

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

3. TURNOVER

	2015 £	2014 £
Net income from residences:		
Residential charges receivable	329,100	271,032
Loss arising from vacancies and absences	(14,595)	(1,732)
Guest room income	3,826	9,156
	<hr/>	<hr/>
Total Social Housing Rents	318,331	278,456
Other rental income	53,746	46,724
Sundry income - employment allowance	2,000	-
	<hr/>	<hr/>
	374,077	325,180
	<hr/>	<hr/>

The Society owns and manages three houses, one with eight rooms and two with nine rooms, giving a total of twenty-six rooms (2014: 24). The average rent for the year was £12,189 (2014: £10,841) per resident. The Society owns and manages three units of market rented commercial premises (2014: 3)

4. STAFF NUMBERS AND COSTS

The average number of persons employed by the Society (excluding the Executive Committee) during the year was:

	2015	2014
Total staff	12	11
	<hr/>	<hr/>

There were no employees earning more than £60,000 during the year.

The aggregate payroll costs of these persons were as follows:-

	2015 £	2014 £
Wages and salaries	143,316	144,724
Social Security costs	7,579	7,760
Pensions	3,200	5,312
	<hr/>	<hr/>
	154,095	157,796
	<hr/>	<hr/>

The Executive Committee members receive no remuneration.

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

5. OPERATING COSTS

	2015	2014
	£	£
Management Expenses:		
Insurance	572	419
Telephone	556	513
Affiliation fee and subscriptions	7,894	8,665
Auditors' remuneration	1,540	1,500
Other expenditure and provisions	5,165	12,732
Shops associated charges	3,799	17,772
General and assistant manager remuneration	46,276	43,142
	<hr/>	<hr/>
	65,802	84,743
	<hr/>	<hr/>
Repairs and Maintenance:		
Current	34,548	33,963
Cyclical	-	-
	<hr/>	<hr/>
	34,548	33,963
	<hr/>	<hr/>
Service Costs: Care and Catering:		
Employee costs	107,819	114,654
Staff training	3,034	-
Food and other household costs	31,713	29,540
Garden maintenance	12,030	4,990
Rates and water	11,221	14,259
Insurance	7,230	7,200
Heating and lighting	28,497	24,286
Depreciation	2,029	5,100
Telephone	1,648	1,928
Council Warden Service	5,975	5,975
	<hr/>	<hr/>
	211,196	207,932
	<hr/>	<hr/>
Total Operating Costs	<hr/>	<hr/>
	311,546	326,638
	<hr/>	<hr/>
Allocated as Follows:		
Social housing activities	307,747	308,866
Other activities	3,799	17,772
	<hr/>	<hr/>
	311,546	326,638
	<hr/>	<hr/>

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015	2014
	£	£
Bank interest	2,236	921
Bequests	-	-
Donations	-	-
	<u>2,236</u>	<u>921</u>

7. SURPLUS ON ORDINARY ACTIVITIES

	2015	2014
	£	£
The surplus (2014: deficit) on ordinary activities is stated after charging:		
Depreciation of tangible fixed assets	2,029	5,100
Auditors' remuneration:		
- in their capacity as auditors	1,540	1,500
- in respect of other services	-	-
	<u> </u>	<u> </u>

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

8. TANGIBLE FIXED ASSETS

	Housing Land & Buildings £	Other Land & Buildings £	Fixtures, Fittings and Equipment £
Cost or Valuation			
At 1st April 2014	1,199,690	475,000	154,283
Additions during the year	2,940	-	6,444
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31st March 2015	1,202,630	475,000	160,727
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st April 2014	-	-	153,387
Charge for year	-	-	2,029
Removed on disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31st March 2015	-	-	155,416
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31st March 2015	1,202,630	475,000	5,311
	<hr/>	<hr/>	<hr/>
At 31st March 2014	1,199,690	475,000	896
	<hr/>	<hr/>	<hr/>

The freehold is owned for all land and buildings.

No grants have been received in respect of any of the above assets.

Housing Land & Buildings

The accounts are prepared under the historical cost convention.

Sir Charles Starmer House became an asset of the Society as a result of a bequest from Lady Starmer in January 1980. Sir Charles Starmer House is included in the accounts at its probate value of £98,000 plus additions at cost. The cost of Sir Charles Starmer House under the historical cost convention is £174,861 (2014: £174,861).

J. F. Latimer House was financed by a bequest from Miss Latimer and Earl Keelan House by bequests from Miss Latimer, Thomas Earl and Miss Keelan.

Other Land & Buildings

This represents property received from the Miss Latimer bequest. No depreciation has been provided in respect of this property as it is maintained, in a state of repair, such that the estimated realisable value is not less than the book value.

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

9. DEBTORS

Amounts falling due within one year:

	2015 £	2014 £
Other debtors and prepayments	<u>6,993</u>	<u>5,709</u>

There was £Nil rental income outstanding at 31st March 2015 (2014: Nil).

10. CREDITORS

Amounts falling due within one year:

	2015 £	2014 £
Other creditors and accruals	<u>21,489</u>	<u>49,691</u>

The average number of days between receipt and payment of purchase invoices was 12 (2014: 12).

11. MEMBERS

There is no authorised share capital and the number of members whose liability is limited to £1 was:

	2015	2014
Members	<u>9</u>	<u>9</u>

12. RESERVES

Reserve	Revenue Reserve £	Cyclical Repairs Reserve £	General Charitable Reserve £	Endowment Reserve £
At 1st April 2014	1,901,203	14,000	73,572	98,000
Expenditure during the year	-	-	-	-
Surplus for the Year	64,767	-	-	-
Transfer to/from income and expenditure account	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31st March 2015	<u>1,965,970</u>	<u>14,000</u>	<u>73,572</u>	<u>98,000</u>

The general charitable reserve represents funds received designated for a specific purpose.

The endowment reserve represents the value of St Charles Starmer House gifted to the Society in 1980 (see note 8).

ABBNEYFIELD (DARLINGTON) SOCIETY LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2015

13. CAPITAL COMMITMENTS

Capital commitments at 31st March 2015 were as follows:

	2015 £	2014 £
Contracted	Nil	Nil

14. CONTINGENT LIABILITIES

There are no contingent liabilities (2014: £Nil).

15. CONTROLLING PARTY

The Executive Committee have ultimate control over the Society.