

**ABBEYFIELD REIGATE SOCIETY LIMITED**  
**(COMPANY No. 1032349)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST DECEMBER 2002**



**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2002**

**INDEX**

	<b>Page</b>
Officers, Professional Advisers and Registered Office	1
Report of the Executive Committee	2
Report of the Auditors	3
Income and Expenditure Account	4
Balance Sheet	5
Notes to the Accounts	6 - 9

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**OFFICERS, PROFESSIONAL ADVISERS AND REGISTERED OFFICE**

**Executive Committee Members**

Mrs A.M. Sharpley	Chairman
Mr D. Rowlands	Treasurer
Mr F. Wilcox	Secretary
Mr E. Marriage (resigned 31st December 2002)	
Mr T. Wooden	
Mrs M. Owens	

**Auditors**

Kingston Smith  
Surrey House  
36-44 High Street  
Redhill  
Surrey  
RH1 1RH

**Bankers**

Barclays Bank Plc  
Reigate  
Surrey

**Registered Office**

Abbeyfield House  
34 Somers Road  
Reigate  
Surrey  
RH2 9DZ

# **ABBNEYFIELD REIGATE SOCIETY LIMITED**

## **REPORT OF THE EXECUTIVE COMMITTEE**

### **FOR THE YEAR ENDED 31ST DECEMBER 2002**

The Executive Committee submits its Annual Report and financial statements for the year ended 31st December 2002.

#### **Principal Activity**

The principal activity of the Society is to provide accommodation for lonely and elderly people in accordance with the aims and principles of the Abbeyfield Society Limited. Rehabilitation of the house in Somers Road, Reigate, Surrey, was completed and the permanent accommodation was occupied in the year ended 31st December 1973. Most of the capital to finance the original project was provided by public funds.

#### **Results**

The results for the year are set out on page 4. The house was operated at 91% of capacity during the year under review and voids amounted to £5,088 (2001 - £10,404).

#### **Fixed Assets**

Details of movements in fixed assets are shown in the notes.

#### **Executive Committee**

The present members of the Executive Committee are shown on page 1. Mr T. Wooden and Mrs M. Owens retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-election.

#### **Statement of Executive Committee Responsibilities**

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 company and of the profit or loss of the company for that period. In preparing those 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

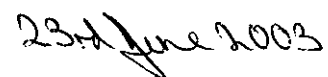
The Executive Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985, the Housing Association Act 1996 and the Registered Social Landlords (Accounting Requirements) General Determination 2000. 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.

#### **Auditors**

A resolution for the appointment of Kingston Smith will be proposed at the forthcoming Annual General Meeting.



On behalf of the Executive Committee  
Mrs A.M. Sharpley



# REPORT OF THE AUDITORS TO THE MEMBERS OF ABBEYFIELD REIGATE SOCIETY LIMITED

## **Independent Auditors' Report to the Members of Abbeyfield Reigate Society Limited**

We have audited the financial statements of Abbeyfield Reigate Society Limited for the year ended 31st December 2002 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 and the accounting policies set out therein.

This report is made solely to the company's members, as a body in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law we do not accept or assume responsibility to any party other than the company and company's members as a body, for our audit work, for this report or for the opinions we have formed.

## **Respective responsibilities of Executive Committee and Auditors**

As described in the Statement of Executive Committee Responsibilities, the Executive Committee is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Housing Association Act 1996 and the Registered Social Landlords (Accounting Requirements) General Determination 2000. We also report to you if, in our opinion, the Report of the Executive Committee is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Executive Committee members' remuneration and transactions with the company is not disclosed.

We read the Report of the Executive Committee and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the Executive Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 financial statements 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 financial statements.

## **Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2002 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985, the Housing Association Act 1996 and the Registered Social Landlords (Accounting Requirements) General Determination 2000.

Surrey House  
36-44 High Street  
Redhill  
Surrey  
RH1 1RH

23rd June 2003

  
Kingston Smith  
Chartered Accountants  
and Registered Auditors

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2002**

	Notes	2002 £	2001 £
Turnover		55,632	48,116
Operating costs	3	<u>(49,111)</u>	<u>(50,010)</u>
Operating surplus/(deficit)		6,521	(1,894)
Interest receivable and other income	4	1,041	2,254
Interest payable and similar charges		<u>(1,164)</u>	<u>(1,809)</u>
Surplus/(deficit) on ordinary activities before taxation		6,398	(1,449)
Tax on surplus/(deficit) on ordinary activities	5	<u>-</u>	<u>-</u>
Surplus/(deficit) for the year		6,398	(1,449)
Revenue reserve brought forward		<u>112,186</u>	<u>113,635</u>
Revenue reserve carried forward		<u><u>118,584</u></u>	<u><u>112,186</u></u>

There are no recognised gains or losses other than those stated above and the results are all derived from continuing operations.

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**BALANCE SHEET AS AT 31ST DECEMBER 2002**

	Notes	2002 £	2001 £
<b>Tangible Fixed Assets</b>			
Land and buildings	6	110,280	110,280
Furniture and fittings	7	<u>7,817</u>	<u>8,686</u>
		118,097	118,966
<b>Current Assets</b>			
Debtors and prepayments	9	1,512	1,315
National Savings investments		8,000	8,000
Cafinvest deposit		351	351
Bank deposit		49	49
Cash at bank and in hand		<u>5,131</u>	<u>3,173</u>
		15,043	12,888
<b>Current Liabilities</b>			
Amounts falling due within one year	10	<u>4,766</u>	<u>6,665</u>
<b>Net Current Assets</b>		<u>10,277</u>	<u>6,223</u>
<b>Total Assets Less Current Liabilities</b>		<u>128,374</u>	<u>125,189</u>
<b>Creditors : Amounts falling due after more than one year</b>	11	<u>(9,790)</u>	<u>(13,003)</u>
<b>Net Assets</b>		<u><u>118,584</u></u>	<u><u>112,186</u></u>
<b>Represented by:</b>			
<b>Accumulated Surplus</b>		<u><u>118,584</u></u>	<u><u>112,186</u></u>

Approved by the Executive Committee on 22nd June 2003

*A. M. Sharpley*  
 Mrs A.M. Sharpley  
 Chairman

*D. Rowlands*  
 Mr D. Rowlands  
 Treasurer

*F. Wilcox*  
 Mr F. Wilcox  
 Secretary

# **ABBEYFIELD REIGATE SOCIETY LIMITED** **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31ST DECEMBER 2002**

## **1. Status of Society**

The Society is registered under the following Acts:

- (a) The Companies Act 1985
- (b) The Charities Act 1960
- (c) The Housing Act 1996, the Society being wholly engaged in housing activities as defined in that Act.

## **2. Accounting Policies**

- (a) These financial statements are prepared under the historical cost convention in accordance with applicable accounting standards and the Statement of Recommended Practice: Accounting by Registered Social Landlords. The financial statements comply with the appropriate legislation and with the Registered Social Landlords (Accounting Requirements) General Determination 2000.
- (b) The financial statements have been prepared on the basis that the capital expenditure referred to in Note 6 has been grant aided, funded by loan or met out of reserves.
- (c) Mortgage loans are advanced by the local authority under the terms of individual mortgage deeds.
- (d) Social Housing Grants are made by the Housing Corporation (and formerly by the Department of Environment) and are utilised to reduce the amount of mortgage loan to an amount which it is estimated can be serviced by the net annual income for the scheme. These grants are paid direct to the lending authority and are reflected in the accounts only when the payment has been made and the relevant mortgage loan reduced.
- (e) Depreciation is charged on fixtures and fittings at the rate of 10% of written down value per annum. Depreciation is not charged on land and buildings although the depreciation of buildings is required by Financial Reporting Standard 15. The Society's property is maintained at a high standard of repair and any depreciation is considered to be immaterial.
- (f) Turnover represents residential charges receivable net of rent losses from voids.

## **3. Operating Costs**

	2002		2001	
	£	£	£	£
<b>Management expenses:</b>				
Audit fees	999		822	
Advertising	93		309	
Other	<u>6,839</u>		<u>6,869</u>	
		7,931		8,000
Repairs and maintenance		6,335		6,984
<b>Service Costs:</b>				
Employees	17,904		18,126	
Depreciation	869		966	
Others	<u>16,072</u>		<u>15,934</u>	
		<u>34,845</u>		<u>35,026</u>
		<u>49,111</u>		<u>50,010</u>



**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2002**

The number of full-time employees was one. No remuneration was paid to any member or officer of the Society.

<b>4. Interest Receivable and other income</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Interest receivable	306	569
Donations and legacies	735	1,685
	<u>1,041</u>	<u>2,254</u>

**5. Tax on Surplus on Ordinary Activities**

In view of the Society's charitable status, no provision for corporation tax is considered necessary.

<b>6. Land and Buildings</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Cost at 1st January 2002	150,802	150,802
Social Housing Grants	(40,522)	(40,522)
Cost at 31st December 2002	<u>110,280</u>	<u>110,280</u>

<b>7. Fixtures, Fittings and Equipment</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Cost		
At 1st January 2002	20,658	19,808
Additions during the year	-	850
At 31st December 2002	<u>20,658</u>	<u>20,658</u>
Depreciation		
At 1st January 2002	11,972	11,006
Charged during the year	869	966
At 31st December 2002	<u>12,841</u>	<u>11,972</u>
Net book value	<u>7,817</u>	<u>8,686</u>

**8. Capital Commitments**

There were no capital commitments outstanding at 31st December 2002 (2001 - Nil)

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2002**

9. Debtors	2002 £	2001 £
Amounts falling due within one year		
Prepayments	<u>1,512</u>	<u>1,315</u>
10. Creditors	2002 £	2001 £
Amounts falling due within one year		
Mortgages (see note 12)	1,560	3,300
Loan (see note 13)	1,500	1,500
Accrued expenses	<u>1,706</u>	<u>1,865</u>
	<u>4,766</u>	<u>6,665</u>
11. Creditors	2002 £	2001 £
Amounts falling due after more than one year		
Mortgages (see note 12)	1,540	3,253
Loan (see note 13)	<u>8,250</u>	<u>9,750</u>
	<u>9,790</u>	<u>13,003</u>

12. Mortgages

Housing mortgage loans secured by charges on the Society's land and buildings repayable by equal annual instalments of principal and interest.

	2002 £	2001 £
<b>Reigate and Banstead Borough Council</b>		
Capital repayable in one year	1,560	3,300
Capital repayable in one to two years	246	1,650
Capital repayable in two to five years	738	620
Capital repayable in more than five years	<u>556</u>	<u>983</u>
	<u>3,100</u>	<u>6,553</u>

The last instalments of these loans fall to be repaid on dates between 2003 and 2010 and the loans currently bear interest at the rate of 5.54% per annum.

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2002**

**13. Loan**

The loan from the Abbeyfield South East Regon is repayable by equal annual instalments of principal plus interest at the base rate adjusted annually.

	2002 £	2001 £
Capital repayable in one year	1,500	1,500
Capital repayable in one to two years	1,500	1,500
Capital repayable in two to five years	4,500	4,500
Capital repayable in more than five years	<u>2,250</u>	<u>3,750</u>
	<u>9,750</u>	<u>11,250</u>

**14. Number of Units in Management**

	2002 £	2001 £
At beginning and end of year	<u>9</u>	<u>9</u>

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2002**

	2002		2001	
	£	£	£	£
<b>Property Revenue account</b>				
<b>INCOME</b>				
Residential charges receivable	60,720		58,520	
Less: Vacancies and absences	<u>5,088</u>		<u>10,404</u>	
		55,632		48,116
<b>EXPENDITURE</b>				
<b>Management expenses</b>				
Insurance	987		930	
Telephone	696		690	
Affiliation fees	2,208		2,166	
Audit fees	999		822	
Advertising	93		309	
Other	<u>2,948</u>		<u>3,083</u>	
	<u>7,931</u>		<u>8,000</u>	
<b>Repairs and Maintenance</b>				
Current	6,335		6,984	
Provision for future expenses	<u>-</u>		<u>-</u>	
	<u>6,335</u>		<u>6,984</u>	
<b>Service costs</b>				
Employees	17,904		18,126	
Food and supplies	9,064		8,838	
Laundry and cleaning	915		895	
General and water rates	2,272		2,111	
Heat and light	3,821		4,090	
Furniture depreciation	<u>869</u>		<u>966</u>	
	<u>34,845</u>		<u>35,026</u>	
Mortgage and loan interest	<u>1,164</u>		<u>1,809</u>	
		<u>50,275</u>		<u>51,819</u>
<b>PROPERTY REVENUE SURPLUS/(DEFICIT)</b>				
<b>FOR THE YEAR</b>		5,357		(3,703)
<b>General Income and Expenditure Account</b>				
Donations and Legacies	735		1,685	
Interest received	<u>306</u>		<u>569</u>	
		<u>1,041</u>		<u>2,254</u>
<b>TOTAL SURPLUS/(DEFICIT) FOR THE YEAR</b>		<u><u>6,398</u></u>		<u><u>(1,449)</u></u>