

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**(COMPANY No. 1032349)**  
**(REGISTERED SOCIAL LANDLORD No. H2474)**  
**(CHARITY No. 263466)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST DECEMBER 2005**



**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

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

**Executive Committee Members**

Mrs A.M. Sharpley  
Mr D. Rowlands  
Mr T. Wooden  
Mrs M. Owens  
Mrs E. Lee  
Mr G. Piejus

Chairman  
Treasurer  
Secretary

(Appointed 17 February 2005)  
(Appointed 19 January 2006)

**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

# **ABBEYFIELD REIGATE SOCIETY LIMITED**

## **REPORT OF THE EXECUTIVE COMMITTEE**

### **FOR THE YEAR ENDED 31ST DECEMBER 2005**

The Executive Committee submits its Annual Report and financial statements for the year ended 31st December 2005.

#### **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 98% of capacity during the year under review and voids amounted to £1,515 (2004 - £6,170).

#### **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. Mrs M. Owens and Mr T. Wooden retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-election.

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

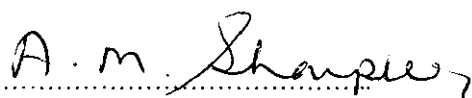
Company law requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Executive Committee are required 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

Date: 10 April 2006

# 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 2005 which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable 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 charitable 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 charitable company and charitable 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 (who are also the directors of the company for the purposes of company law) is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

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 charitable 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 other transactions 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

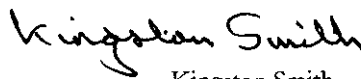
We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant 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 charitable 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 in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31st December 2005 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

  
Kingston Smith  
Chartered Accountants  
and Registered Auditors

Date: 25 April 2006

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

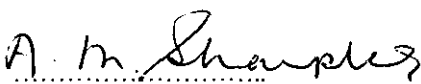
	Notes	2005 £	2004 £
Turnover		64,920	58,285
Operating costs	3	<u>(57,407)</u>	<u>(47,965)</u>
Operating surplus		7,513	10,320
Interest receivable and other income	4	1,255	924
Interest payable and similar charges		<u>(645)</u>	<u>(602)</u>
Surplus on ordinary activities before taxation		8,123	10,642
Tax on surplus on ordinary activities	5	<u>-</u>	<u>-</u>
Surplus for the year		8,123	10,642
Revenue reserve brought forward		<u>134,978</u>	<u>124,336</u>
Revenue reserve carried forward		<u><u>143,101</u></u>	<u><u>134,978</u></u>


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

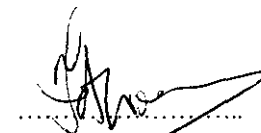
**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**BALANCE SHEET AS AT 31ST DECEMBER 2005**

	Notes	2005 £	2004 £
<b>Tangible Fixed Assets</b>			
Land and buildings	6	110,280	110,280
Furniture and fittings	7	<u>7,350</u>	<u>6,815</u>
		117,630	117,095
<b>Current Assets</b>			
Debtors and prepayments	9	1,230	1,487
National Savings investments		8,000	8,000
Cafinvest deposit		351	349
Bank deposit		2,466	49
Cash at bank and in hand		<u>23,908</u>	<u>18,034</u>
		35,955	27,919
<b>Current Liabilities</b>			
Amounts falling due within one year	10	<u>6,734</u>	<u>3,488</u>
<b>Net Current Assets</b>		<u>29,221</u>	<u>24,431</u>
<b>Total Assets Less Current Liabilities</b>		<u>146,851</u>	<u>141,526</u>
<b>Creditors : Amounts falling due after more than one year</b>	11	<u>3,750</u>	<u>6,548</u>
<b>Net Assets</b>		<u><u>143,101</u></u>	<u><u>134,978</u></u>
<b>Represented by:</b>			
<b>Accumulated Surplus</b>		<u><u>143,101</u></u>	<u><u>134,978</u></u>

Approved by the Executive Committee on 10 April 2006

  
 Mrs A.M. Sharpley  
 Chairman

  
 Mr D. Rowlands  
 Treasurer

  
 Mr T. Wooden  
 Secretary

# **ABBEYFIELD REIGATE SOCIETY LIMITED** **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31ST DECEMBER 2005**

## **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 2005 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.
- (g) Grants are credited to deferred revenue. Grants towards capital expenditure are released to the Income and Expenditure Account over the expected useful life of the assets. Grants towards revenue expenditure are released to the Income and Expenditure Account as the related expenditure is incurred.

## **3. Operating Costs**

	<b>2005</b>		<b>2004</b>	
	£	£	£	£
<b>Management expenses:</b>				
Audit fees	1,763		1,645	
Advertising	55		300	
Other	<u>5,756</u>		<u>6,178</u>	
		7,574		8,123
Repairs and maintenance		13,724		6,591
<b>Service Costs:</b>				
Employees	18,588		16,330	
Depreciation	816		757	
Others	<u>16,705</u>		<u>16,164</u>	
		<u>36,109</u>		<u>33,251</u>
		<u>57,407</u>		<u>47,965</u>

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

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

4.	<b>Interest receivable and other income</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	Interest receivable	359	297
	Donations and legacies	896	627
		<u>1,255</u>	<u>924</u>
5.	<b>Tax on Surplus on Ordinary Activities</b>		
	<i>In view of the Society's charitable status, no provision for corporation tax is considered necessary.</i>		
6.	<b>Land and Buildings</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	Cost at 1st January 2005	150,802	150,802
	Social Housing Grants	(40,522)	(40,522)
	Net Cost at 31st December 2005	<u>110,280</u>	<u>110,280</u>
7.	<b>Fixtures, Fittings and Equipment</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	<b>Cost</b>		
	At 1st January 2005	21,215	20,862
	Additions during the year	1,351	353
	At 31st December 2005	<u>22,566</u>	<u>21,215</u>
	<b>Depreciation</b>		
	At 1st January 2005	14,400	13,643
	Charged during the year	816	757
	At 31st December 2005	<u>15,216</u>	<u>14,400</u>
	Net book value	<u>7,350</u>	<u>6,815</u>
8.	<b>Capital Commitments</b>		

There were no capital commitments outstanding at 31st December 2005 (2004 - Nil)

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

9.	<b>Debtors</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year</b>		
	Prepayments	<u>1,230</u>	<u>1,487</u>
10.	<b>Creditors</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due within one year</b>		
	Mortgages (see note 12)	-	131
	Loan (see note 13)	1,500	1,500
	Social security and other taxes	437	142
	Accrued expenses and deferred income	<u>4,797</u>	<u>1,715</u>
		<u>6,734</u>	<u>3,488</u>
11.	<b>Creditors</b>	<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	<b>Amounts falling due after more than one year</b>		
	Mortgages (see note 12)	-	1,298
	Loan (see note 13)	<u>3,750</u>	<u>5,250</u>
		<u>3,750</u>	<u>6,548</u>
12.	<b>Mortgages</b>		
	Housing mortgage loans secured by charges on the Society's land and buildings repayable by equal annual instalments of principal and interest.		
		<b>2005</b>	<b>2004</b>
		<b>£</b>	<b>£</b>
	<b>Reigate and Banstead Borough Council</b>		
	Capital repayable in one year	-	131
	Capital repayable in one to two years	-	132
	Capital repayable in two to five years	-	395
	Capital repayable in more than five years	<u>-</u>	<u>771</u>
		<u>-</u>	<u>1,429</u>

This mortgage was paid off in full on the 22 August 2005.

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2005**

**13. Loan**

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

	2005 £	2004 £
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	2,250	3,750
Capital repayable in more than five years	-	-
	<u>5,250</u>	<u>6,750</u>

**14. Number of Units in Management**

	2005 £	2004 £
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 2005**

	2005		2004	
	£	£	£	£
<b>Property Revenue account</b>				
<b>INCOME</b>				
Residential charges receivable	66,435		64,455	
<b>Less: Vacancies and absences</b>	<u>1,515</u>		<u>6,170</u>	
		64,920		58,285
<b>EXPENDITURE</b>				
<b>Management expenses</b>				
Insurance	1,218		1,192	
Telephone	487		737	
Affiliation fees	1,989		1,898	
Audit fees	1,763		1,645	
Advertising	55		300	
Other	<u>2,062</u>		<u>2,351</u>	
	<u>7,574</u>		<u>8,123</u>	
<b>Repairs and maintenance</b>				
Current	<u>13,724</u>		<u>6,591</u>	
<b>Service costs</b>				
Employees	18,588		16,330	
Food and supplies	8,950		8,705	
Laundry and cleaning	832		852	
General and water rates	2,517		2,295	
Heat and light	4,406		4,312	
Furniture depreciation	<u>816</u>		<u>757</u>	
	<u>36,109</u>		<u>33,251</u>	
Mortgage and loan interest	<u>645</u>		<u>602</u>	
		<u>58,052</u>		<u>48,567</u>
<b>PROPERTY REVENUE SURPLUS</b>				
<b>FOR THE YEAR</b>		6,868		9,718
<b>General Income and Expenditure Account</b>				
Donations and legacies	896		627	
Interest received	<u>359</u>		<u>297</u>	
		<u>1,255</u>		<u>924</u>
<b>TOTAL SURPLUS FOR THE YEAR</b>		<u><u>8,123</u></u>		<u><u>10,642</u></u>