

**ABBNEYFIELD REIGATE SOCIETY LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR**

**ENDED**

**31ST DECEMBER 1999**



**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 1999**

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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. F. Wilcox  
Mrs. C.M. Markham  
Mrs. J.A. Wilcox  
Mr. C. Stagg  
Mr. E. Marriage

Chairman  
Treasurer  
Secretary

**Auditors**

Davies Watson  
Reigate  
Surrey

**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 1999**

The Executive Committee submits its Annual Report and accounts for the year ended 31st December 1999.

**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 5. The house was operated at 100% of capacity during the year under review and voids amounted to nil (1998 - £3,738).

**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. C. Stagg, Mr. E. Marriage and Mr. D. Rowlands retire at the forthcoming Annual General Meeting and, being eligible, offered themselves for re-election.

**ABBNEYFIELD REIGATE SOCIETY LIMITED**  
**REPORT OF THE EXECUTIVE COMMITTEE**  
**FOR THE YEAR ENDED 31ST DECEMBER 1999 (continued)**

**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 1998. 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 Davies Watson will be proposed at the forthcoming Annual General Meeting.

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

3rd April 2000

## **REPORT OF THE AUDITORS TO THE MEMBERS OF**

### **ABBEYFIELD REIGATE SOCIETY LIMITED**

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies as set out on page 7.

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

As described on page 3, the company's Executive Committee are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 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 mis-statement, 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 at 31st December 1999 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 1998.

**15A Lesbourne Road**  
**Reigate, Surrey**

**3rd April 2000**

  
**Davies Watson**  
**Chartered Accountants**  
**Registered Auditors**

**ABBNEYFIELD REIGATE SOCIETY LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 1999**

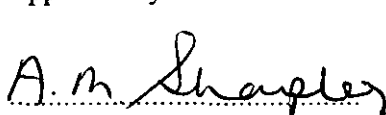
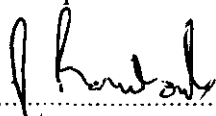
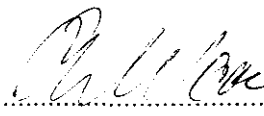
		<u>1999</u>	<u>1998</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
Turnover		52,230	46,182
Operating costs	3	(47,472)	(45,566)
Operating surplus		<u>4,758</u>	<u>616</u>
Interest receivable and other income	4	2,201	3,510
Interest payable and similar charges		(2,024)	(1,683)
Surplus on ordinary activities before taxation		<u>4,935</u>	<u>2,443</u>
Tax on surplus on ordinary activities	5	-	-
Surplus for the year		<u>4,935</u>	<u>2,443</u>
Transfer from designated reserves	15	-	6,000
		<u>4,935</u>	<u>8,443</u>
Revenue reserve brought forward		103,218	94,775
Revenue reserve carried forward		<u>108,153</u>	<u>103,218</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 1999**

		<u>1999</u>		<u>1998</u>	
	<u>Notes</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b><u>TANGIBLE FIXED ASSETS</u></b>					
Land and buildings	6	105,238		81,414	
Furniture and fittings	7	8,775		8,062	
		<u>114,013</u>		<u>89,476</u>	
<b><u>CURRENT ASSETS</u></b>					
Debtors and prepayments	9	1,160		527	
National Savings investments		18,000		28,066	
Cafinvest deposit		339		1,323	
Bank deposit		4,109		3,062	
Cash at bank and in hand		3,753		4,475	
		<u>27,361</u>		<u>37,453</u>	
<b><u>CURRENT LIABILITIES</u></b>					
Amounts falling due within one year	10	5,665		5,871	
<b><u>NET CURRENT ASSETS</u></b>			<u>21,696</u>		<u>31,582</u>
<b><u>TOTAL ASSETS</u></b>					
<b><u>LESS CURRENT LIABILITIES</u></b>			<u>135,709</u>		<u>121,058</u>
<b><u>CREDITORS: Amounts falling due after more than one year</u></b>	11		(27,556)		(17,840)
<b><u>NET ASSETS</u></b>			<u><u>108,153</u></u>		<u><u>103,218</u></u>
Represented by:					
<b><u>REGIONAL FUND</u></b>	15		-		-
<b><u>ACCUMULATED SURPLUS</u></b>			<u>108,153</u>		<u>103,218</u>
			<u><u>108,153</u></u>		<u><u>103,218</u></u>

Approved by the Executive committee on 3rd April 2000

Mrs. A.M. Sharpley  
ChairmanMr. D. Rowlands  
TreasurerMr. F. Wilcox  
Secretary



## **ABBNEYFIELD REIGATE SOCIETY LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1999**

#### **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 accounts are prepared under the historical cost convention in accordance with applicable accounting standards and the Statement of Recommended Practice published by the National Federation of Housing Associations. The accounts comply with the appropriate legislation and with the Registered Social Landlords (Accounting Requirements) General Determination 1998.
- (b) The accounts 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 not charged on land and buildings and on fixtures and fittings at the rate of 10% of written down value per annum. The Society's property is maintained at a high standard of repair and any depreciation is considered to be immaterial.

**ABBNEYFIELD REIGATE SOCIETY LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1999 (continued)****3. OPERATING COSTS**

	<u>1999</u>		<u>1998</u>	
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Management expenses:</b>				
Audit fees	734		705	
Advertising	432		471	
Others	6,375		5,640	
		7,541		6,816
Repairs and maintenance		6,580		10,158
<b>Service costs:</b>				
Employees	16,954		15,680	
Depreciation	975		895	
Others	15,422		12,017	
		33,351		28,592
		<u>47,472</u>		<u>45,566</u>

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

**4. INTEREST RECEIVABLE AND OTHER INCOME**

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
Interest receivable	1,137	2,097
Donations and legacies	929	1,278
Grants	135	135
	<u>2,201</u>	<u>3,510</u>

**5. TAX ON SURPLUS ON ORDINARY ACTIVITIES**

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

**6. LAND AND BUILDINGS**

Cost at beginning of year	121,936	120,613
Additions	23,824	1,323
<b>Social Housing Grants</b>	<b>(40,522)</b>	<b>(40,522)</b>
<b>Net book value</b>	<b><u>105,238</u></b>	<b><u>81,414</u></b>

**ABBNEYFIELD REIGATE SOCIETY LIMITED****NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1999 (continued)****7. FIXTURES, FITTINGS AND EQUIPMENT**

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
<b>Cost:-</b>		
At beginning of year	17,114	15,254
Additions during the year	1,688	1,860
<b>At end of year</b>	<u>18,802</u>	<u>17,114</u>
<b>Depreciation:</b>		
At beginning of year	9,052	8,157
Charged during the year	975	895
<b>At end of year</b>	<u>10,027</u>	<u>9,052</u>
<b>Net book value</b>	<u>8,775</u>	<u>8,062</u>

**8. CAPITAL COMMITMENTS**

There were no capital commitments outstanding at 31st December 1999 (1998 - Nil)

**9. DEBTORS****Amounts falling due within one year:**

Prepayments	<u>1,160</u>	<u>527</u>
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**10. CREDITORS****Amounts falling due within one year:**

Mortgages (see note 12)	2,800	2,400
Loan (see note 13)	1,500	-
Accrued expenses	1,365	3,471
	<u>5,665</u>	<u>5,871</u>

**11. CREDITORS****Amounts falling due after more than one year:**

Mortgages (see note 12)	9,806	12,840
Loan (see note 13)	12,750	-
Provision for future repairs (see note 14)	5,000	5,000
	<u>27,556</u>	<u>17,840</u>

## **ABBEYFIELD REIGATE SOCIETY LIMITED**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1999 (continued)**

#### **12. MORTGAGES**

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

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
<b>Reigate and Banstead Borough Council</b>		
Capital repayable in one year	2,800	2,400
Capital repayable in more than one year	9,806	12,840
	<u>12,606</u>	<u>15,240</u>

The last instalments of these loans fall to be repaid on dates between 2003 and 2009 and the loans bear interest at the rate of 9.25% per annum.

#### **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.

Capital repayable in one year	1,500	-
Capital repayable in more than one year	12,750	-
	<u>14,250</u>	<u>-</u>

#### **14. PROVISION FOR FUTURE REPAIRS**

In the past, the Society has provided on a continuous basis for the repairs and maintenance of its property for which SHG will not be claimed. In future, provision will only be made now for known commitments at the balance sheet date.

Balance at beginning of year	5,000	5,000
Transfer from Property Revenue Account	-	-
<b>Balance at end of year</b>	<u>5,000</u>	<u>5,000</u>

#### **15. REGIONAL FUND**

Balance at beginning of year	-	6,000
Transfer to Income and Expenditure Account	-	(6,000)
<b>Balance at end of year</b>	<u>-</u>	<u>-</u>

**ABBEYFIELD REIGATE SOCIETY LIMITED****INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 1999**

	<u>Note</u>	<u>£</u>	<u>1999</u> <u>£</u>	<u>£</u>	<u>1998</u> <u>£</u>
<b>Property Revenue account</b>					
<b><u>INCOME</u></b>					
Residential charges receivable	1	52,230		49,920	
Less: Vacancies and absences		-		(3,738)	
			52,230		46,182
Grants receivable			135		135
			<u>52,365</u>		<u>46,317</u>
<b><u>EXPENDITURE</u></b>					
<b>Management expenses</b>					
Insurance		817		1,119	
Telephone		346		441	
Affiliation fees		1,993		1,890	
Audit fees		734		705	
Advertising		432		471	
Other		3,219		2,190	
		<u>7,541</u>		<u>6,816</u>	
<b>Repairs and maintenance</b>					
Current		6,580		10,158	
Provision for future expenses		-		-	
		<u>6,580</u>		<u>10,158</u>	
<b>Service costs</b>					
Employees		16,954		15,680	
Food and supplies		9,846		7,423	
Laundry and cleaning		600		397	
General and water rates		1,945		1,253	
Heat and light		3,031		2,944	
Furniture depreciation		975		895	
		<u>33,351</u>		<u>28,592</u>	
Mortgage and loan interest		<u>2,024</u>		<u>1,683</u>	
			<u>49,496</u>		<u>47,249</u>
<b><u>PROPERTY REVENUE</u></b>					
<b><u>SURPLUS/(DEFICIT) FOR THE YEAR</u></b>			<u>2,869</u>		<u>(932)</u>
<b>General Income and Expenditure Account</b>					
Donations and Legacies		929		1,278	
Interest received		<u>1,137</u>		<u>2,097</u>	
			<u>2,066</u>		<u>3,375</u>
<b><u>TOTAL SURPLUS FOR THE YEAR</u></b>			<u><u>4,935</u></u>		<u><u>2,443</u></u>

**ABBNEYFIELD REIGATE SOCIETY LIMITED**

**NOTE TO INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 1999**

**Note 1**

**RESIDENTIAL CHARGES RECEIVABLE**

	<b><u>1999</u></b>	<b><u>1998</u></b>
No. of units in management	9 <u>==</u>	9 <u>==</u>