

**THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2016**

Company Number: 1080835

Charity Number: 502123

Housing Act Number: H0112

**Harrison, Latham & Company,
97, Tulketh Street,
Southport,
PR8 1AW**



THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

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THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

DIRECTOR'S STATEMENT

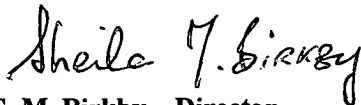
FOR THE YEAR ENDED 30TH SEPTEMBER 2016

During 2015 The Trustees of this Society decided that, in spite of a healthy bank balance, there was little option, other than to approach Abbeyfield National Centre, with regard to a merger, thereby ceasing to be a Member Society. Consequently, full discussions took place and an agreement was finally reached after several months of detailed Meetings.

In November 2016 one of this Society's properties, 74 Scarisbrick New Road, was considered no longer fit for purpose and the decision was taken to consult with the three remaining residents about their transfer to better accommodation within the two remaining Houses. These Residents were happy to move. The property, therefore, was put up for sale.

Once again, the Trustees thank all staff and volunteers for their dedication during their years with Abbeyfield Southport Society. They and the residents', were fully consulted, regarding any changes that would occur following the merger and understand that it would benefit all concerned to be cared for by a professional organisation with many years of experience in working with the elderly.

Signed on the behalf of the board of director's



S M. Birkby – Director

27th February 2017

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATION INFORMATION

Status

The Abbeyfield Southport Society Limited is registered under the Companies Act as a Company Limited by Guarantee (Number 1080835). It is registered as a charity (number 502123) and is also registered under the Housing Act 1974 (number H0112) as a registered social landlord.

Executive Committee and Trustees

The executive committee members of the charitable company ("the charity") are its trustees for the purpose of charity law and directors for the purposes of company law. The society was established under a Memorandum of Association and is governed under its Articles of Association. Under the Articles of Association, the committee members are elected at each AGM. The Executive Committee have the power to appoint any person to be a committee member either to fill a casual vacancy or as an addition to the existing committee, up to the maximum of eighteen committee members. At each AGM one third of the Committee Members retire by rotation, on a first in first out basis.

Executive Committee

The executive committee members serving during the year and since the year end were as follows:

G.N. Bentley
S.M. Birkby
J Bladen

J A Doughty
V Martyn-Beck
D Hughes (resigned 1 April 2016)

G.N. Bentley, and J.A. Doughty retire by rotation and offer themselves for re-election.

Other officers, professional advisers and registered office

Registered Office: 28, Alexandra Road,
Southport, PR9 9EZ

Auditors: Harrison, Latham & Company,
97, Tulketh Street, Southport, PR8 1AW

Bankers: Natwest Bank,
130, Lord Street, Southport

Solicitors: Cockshott Peck Lewis,
24, Hoghton Street, Southport

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

REPORT OF THE EXECUTIVE COMMITTEE

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

The executive committee submit their report together with the accounts of the society for the year ended 30th September 2016.

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. These activities fall wholly within hostel activities as defined in the Housing Act 1974.

Results

The results for the year are set out in the income and expenditure account on page 7.

Objectives

The objectives of the society are:-

- The relief and care of elderly persons of all classes suffering from the disabilities of old age or otherwise in need;
- The spreading of Christian principles to all human relationships and the application of humanitarian aims to promote the relief of the elderly;
- To provide further education in the sphere of voluntary work, social work and similar activities so as to inculcate the principles of good citizenship.

Public Benefit

When reviewing the charity's aims and objectives and planning its activities the Executive Committee have had due regard to the Charity Commission's public benefit guidance, including its guidance on fee charging.

Organisation

An executive committee of up to 18 trustees, who meet monthly, administers the charity. There are further subcommittees for each property owned by the society, which meet weekly and are responsible for the day to day monitoring of each property.

Prospective trustees are invited to an induction tour of the society's houses. Trustees are given a copy of the Memorandum and Articles of Association and are made familiar with policies and procedures. On appointment and according to their skills and aptitude they take responsibility for specific activities. Training needs are assessed and met.

Review of activities

The review of activities during the year is included in the acting chairman's report.

Investment policy

The executive committee has considered the most appropriate policy for investing funds and has found that specialised deposit accounts designed for the charity sector meets their requirements.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 30TH SEPTEMBER 2016 (CONTINUED)

Risk review

The executive committee has conducted a review of the major risks to which the society is exposed and systems have been established to mitigate those risks. These procedures will be periodically reviewed to ensure that they still meet the needs of the society.

Policy on reserves

The accumulated surplus is the result of generous donations and legacies received this year and earlier years, which are not anticipated to recur in the future.

The society's policy is to utilise this surplus to meet the continuing program for improving and adapting its houses to meet current acceptable standards. In the interim, the income generated from the investment of the surplus is to be used to minimise the level of fees that have to be charged on our residents.

Members of the executive committee

Members of the executive committee, who are directors for the purpose of company law and trustees for the purpose of charity law who served during the year and up to the date of this report are set out on page 3

Statement of executive committee members' responsibilities

The committee members who are the directors of the company are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 30TH SEPTEMBER 2016 (CONTINUED)

Disclosure of information to auditors

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

BY ORDER OF THE EXECUTIVE COMMITTEE

S M. Birkby –Chairman

27th February 2017

Sheila M. Birkby

**AUDITORS REPORT TO THE MEMBERS OF
THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)**

We have audited the financial statements of The Abbeyfield Southport Society Limited for the year ended 30th September 2016, which comprise the Income and Expenditure Account, the Balance Sheet, and the related notes. 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), including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out in the Executive Committees Report, the directors' 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 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 Practice's 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 an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual 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 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 company's affairs as at 30th September 2016 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice), FRS 102 and the Statement of Recommended Practice for Registered Social Housing Providers 2014 and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Accounting Direction for Private Registered Providers of Social Housing 2015.

**AUDITORS REPORT TO THE MEMBERS OF
THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
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Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

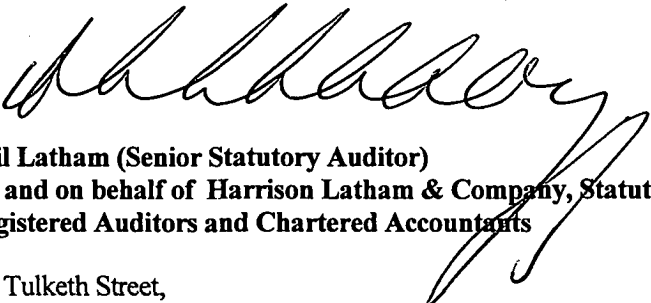
- the information given in the Executive Committees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Executive Committees' Report has been prepared in accordance with applicable legal requirements

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Executive Committees' Report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. ; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Executive Committees' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.


Neil Latham (Senior Statutory Auditor)
for and on behalf of Harrison Latham & Company, Statutory Auditor
Registered Auditors and Chartered Accountants

97, Tulketh Street,
Southport
PR8 1AW

27th February 2017

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Notes	2016	2015
Turnover	6	240,085	245,119
Operating Costs		(291,318)	(268,870)
Operating Deficit	3	(51,233)	(23,751)
Interest receivable and other income		2,233	2,402
Donations and bequests	4	316	680
		<hr/>	<hr/>
(Deficit) before tax		(48,684)	(20,669)
Taxation	8	-	-
		<hr/>	<hr/>
Deficit for the year and total comprehensive income		<u>(48,684)</u>	<u>(20,669)</u>

The society's results relate wholly to continuing activities.

Approved by the Executive Committee on the 27th February 2017 and signed on its behalf by:

S. M. Birkby - Committee Member

Sheila M. Birkby

V. Martyn-Beck - Committee Member

V. Martyn-Beck

The notes on pages 11 to 19 form part of these financial statements

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Property Equity Reserve £	Income & Expenditure Account £	Total £
At 1 October 2015	24,186	552,578	576,764
Deficit for the year	-	(48,684)	(48,684)
Transfer reserves	(1,373)	1,373	-
At 30 September 2016	<u>22,813</u>	<u>505,267</u>	<u>528,080</u>

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
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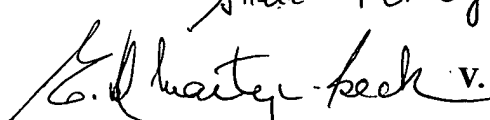
STATEMENT OF FINANCIAL POSITION

AS AT 30TH SEPTEMBER 2016

	Notes	2016	2015
Fixed Assets			
Tangible fixed assets	9	482,136	497,847
Current Assets			
Stocks		2,058	2,058
Debtors	11	12,324	6,705
Investments		135,000	305,000
Cash and cash equivalents		313,950	205,304
		<u>463,332</u>	<u>519,067</u>
Creditors: Amounts falling due within one year	12	38,554	39,394
Net Current Assets		<u>424,778</u>	<u>479,673</u>
Total Assets Less Current Liabilities		<u>906,914</u>	<u>977,520</u>
Creditors: Amounts falling due after more than one year	13	378,834	400,756
		<u>528,080</u>	<u>576,764</u>
Capital and Reserves			
Non equity share capital		-	-
Accumulated surplus		505,267	552,578
Designated Reserves		22,813	24,186
Society's Funds		<u>528,080</u>	<u>576,764</u>

The Executive Committee Members have taken advantage of those special provisions within part 15 of the Companies Act 2006 relating to small companies.

Approved by the Executive Committee on the 27th February 2017 and signed on its behalf by:

 S. M. Birkby- Committee Member
 V. Martyn-Beck - Committee Member

The notes on pages 11 to 19 form part of these financial statements

Company Number 1080835

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

1. Legal status

The Abbeyfield Southport Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 28, Alexandra Road, Southport, PR9 9EZ. The society is registered under the Companies Act 2006 (registered number 1080835) and is a registered housing provider (registered number H0112) and is a registered charity (number 502123). The company is

2. Accounting Policies

2.1 Accounting Basis

The financial statements of the society are prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS 102) and the Housing SORP 2014: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2015.

The financial statements are prepared in sterling, which is the functional currency of the society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30th September 2016 are the first financial statements of The Abbeyfield Southport Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1st October 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

2.2 Turnover and revenue recognition

Turnover comprises rental income receivable in the year. Rental income is recognised from first letting, net of any voids.

2.3 Bequests Received

Bequests received are accounted for on receipt.

2.4 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.

2.5 Housing properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings, development costs, interest charges incurred during the development period. Cost includes, irrespective of the source of finance, costs of acquisition, development expenditure, interest on mortgage and other loan financing up to the date of completion of the project for occupation.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

2.5 Housing properties (continued)

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

2.6 Government grants

Government grants include grants receivable from the Homes and Communities Agency (the HCA), local authorities, and other government organisations. Government grants received for housing properties are recognised in income over the useful life of the housing property structure and, where applicable, its individual components (excluding land) under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the entity will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Government grants released on sale of a 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 in creditors. If there is no requirement to recycle or repay the grant on disposal of the asset, any unamortised grant remaining within creditors is released and recognised as income in income and expenditure.

Where individual components are disposed of and this does not create a relevant event for recycling purposes, any grant which has been allocated to the component is released to income and expenditure. Upon disposal of the associated property, the society is required to recycle these proceeds and recognise them as a liability.

2.7 Depreciation of housing properties

The society separately identifies the major components which comprise its housing properties, and charges depreciation, so as to write-down the cost of each component to its estimated residual value, on a straight line basis, over its estimated useful economic life. Due to the age of the properties and lack of detailed records on work undertaken in the past, any split between structure and components would be subjective. The committee members feel that the cost of housing properties at 30 September 2011 should be treated as one component and depreciated over 50 years.

The society depreciates the major components of its housing properties at the following annual rates:

Structure	50 years on a straight line basis
Kitchens, Bathrooms and Windows	20 years on a straight line basis
Fire alarms and heating systems	20 years on a straight line basis
Stair lifts fixed to property	20 years on a straight line basis

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

2.8 Depreciation other tangible fixed assets

Other tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided evenly on the cost of other tangible fixed assets to write them down to their estimated residual values over their expected useful lives.

Fixtures fittings	15% per annum on a straight line basis
Computer equipment	33.3% per annum on a straight line basis

Gains or losses arising on the disposal of other tangible fixed assets are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised as part of the surplus/deficit for the year.

2.9 Impairment

Annually housing properties are assessed for impairment indicators. Where indicators are identified an assessment for impairment is undertaken comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the association, its recoverable amount is its fair value less costs to sell.

Other financial assets other than those at fair value are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in income and expenditure.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in income and expenditure.

2.10 Stocks

Stock comprises catering stocks and has been valued by the officials of the Society at the lower of cost or net realisable value.

2.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

2.12 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

2.14 Basic financial liabilities

Basic financial liabilities, including creditors, bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

2.15 Provisions for liabilities

Provisions are recognised when the society has a present obligation (legal or constructive) as a result of a past event, it is probable that the society will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The society recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence

2.16 Leases

Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the society recognises annual rent expense equal to amounts owed to the lessor.

2.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The company operates a deferred contribution retirement benefit scheme for the benefit of its employees. Contributions are expensed as they become payable.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. Operating Deficit

Operating loss is shown after charging/(crediting):	2016	2015
	£	£
Depreciation	25,762	25,259
Amortisation grant	(21,922)	(21,922)
Auditor -Audit fee (net of VAT)	2,625	2,532
Auditor -Other services (net of VAT)	1,792	1,668
	<u> </u>	<u> </u>

4. Donations and Bequests

During the period, the society received £316 (2015 – £680) of bequests and donations, of which £Nil (2015 – £Nil) had a restricted use. At the year end all the funds had been expended.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

5. Accommodation in Management

	Units under development		Units in management	
	2016	2015	2016	2015
Hostel accommodation - number of bed spaces	Nil	Nil	23	23

6. Turnover

	2016	2015
	£	£
Rent - receivable	100,600	97,975
Service charges - receivable	186,108	182,712
	<u>286,708</u>	<u>280,687</u>
Rent losses from voids	(68,545)	(57,490)
Amortisation government grant	21,922	21,922
Rent and service charge less voids	<u>240,085</u>	<u>245,119</u>

7. Employees, Payments to Members, Committee Members, Officers etc

No fees, remuneration or expenses were paid to the Members, Committee Members or Officers of the Society, except for reimbursement of minor expenses incurred which amounted to £Nil (2015 - £Nil) for the year.

	2016	2015
	£	£
Employee costs were as follows:		
Wages, salaries	89,215	86,737
Social security costs	127	-
Pension contribution	22	-
	<u>89,364</u>	<u>86,737</u>

The average weekly number of persons employed during the year was:

	2016		2015	
	NO	Full Time Equivalent	NO	Full Time Equivalent
Housekeepers	3	3.0	3	3.0
Support staff	12	2.5	12	2.5
Administration	1	0.5	1	0.5
	<u>16</u>	<u>7.5</u>	<u>16</u>	<u>7.5</u>

The society is a member of a defined contribution pension scheme. The assets are held separately from those of the company in an independently administered fund. The pension cost charge amounted to £22 (2015 £-). There were no outstanding contributions at the 30th September 2016 or 30th September 2015.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

8. Taxation

As a charity, the company is exempt from taxation on its charitable activities.

9. Tangible Fixed Assets

	Social Housing Properties Held for Letting £	Fixtures, Fittings and Equipment £	Total £
Cost			
At 1 October 2015	785,388	114,630	900,018
Additions	10,051	-	10,051
At 30 September 2016	<u>795,439</u>	<u>114,630</u>	<u>910,069</u>
Depreciation			
At 1 October 2015	287,756	114,415	402,171
Charge for year	25,547	215	25,762
At 30 September 2016	<u>313,303</u>	<u>114,630</u>	<u>427,933</u>
Net book value			
At 30 September 2016	<u>482,136</u>	<u>-</u>	<u>482,136</u>
Net book value			
At 30 September 2015	<u>497,632</u>	<u>215</u>	<u>497,847</u>

Housing properties held for lettings

	2016 £	2015 £
Long leasehold	186,495	185,922
Freehold	295,641	311,710
	<u>482,136</u>	<u>497,632</u>

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

10. Social Housing Assistance

	2016	2015
	£	£
Total social housing grant received at 31st December 2016	647,834	647,834
Recognised in 11 statement of comprehensive income	247,078	225,156
Held as deferred income	400,756	422,678
	<u>647,834</u>	<u>647,834</u>

11. Debtors

Amounts falling due within one year	2016	2015
	£	£
Rent arrears	1,654	1,725
Other debtors and prepayments	10,670	4,980
	<u>12,324</u>	<u>6,705</u>

12. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Rent in Advance	3,592	923
Deferred grant income (note 14)	21,922	21,922
Taxation and social security	354	645
Other creditors and accruals	12,686	15,904
	<u>38,554</u>	<u>39,394</u>

13. Creditors: Amounts falling due after more than one year

	2016	2015
	£	£
Deferred grant income (note 14)	378,833	400,756

14. Deferred grant income

	2016	2015
	£	£
Amount to be released within one year	21,922	21,922
Amount to be released in more than one year	378,834	400,756
	<u>400,756</u>	<u>422,678</u>

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

15. Share Capital

The Society is a company limited by guarantee and does not have a share capital. The liability of each member is limited by a guarantee to contribute to the assets of the company, in the event of the company being wound up whilst they are members, such amount not to exceed one pound. The number of members at the year end was six.

16. Contingent liabilities

During the installation of solar panels in September 2012 it came to the notice of the trustees that asbestos was present in the cellar of Gadsby House. The insurers were informed, an asbestos survey was carried out and necessary works to remove and contain the asbestos were undertaken. No claim has been made against the company and the trustees feel that any such claim would be covered by insurance.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Notes	Hostel Property Revenue Account		General Income and Expenditure Account	
		2016 £	2015 £	2016 £	2015 £
Income					
Residents charges		286,708	280,687	-	-
Losses arising from vacancies, Absences and repaid funds		(68,545)	(57,490)	-	-
Net income from residents charges		218,163	223,197	-	-
Amortisation grant		21,922	21,922	-	-
Turnover		240,085	245,119	-	-
Expenditure					
Management expenses					
Insurance		5,091	4,755	-	-
Telephone		3,159	2,909	-	-
Membership fee – The Abbeyfield Society		6,581	6,311	-	-
Auditors' remuneration		3,150	3,039	-	-
Bad debts		-	-	-	-
Miscellaneous expenses		12,221	9,423	-	-
		30,202	26,437	-	-
Repairs and Maintenance		32,033	22,363	-	-
Service Costs					
Care and catering costs		128,962	112,997	-	-
Food and household expenses		35,145	39,424	-	-
Garden maintenance		4,554	5,410	-	-
Council tax		7,581	4,860	-	-
Water rates		7,018	6,047	-	-
Heating and lighting		20,061	26,073	-	-
Depreciation:					
Fixtures and equipment		215	215	-	-
Housing properties		25,547	25,044	-	-
		229,083	220,070	-	-

These pages do not form part of the statutory accounts.

THE ABBEYFIELD SOUTHPORT SOCIETY LIMITED
(A Company Limited by Guarantee)

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30TH SEPTEMBER 2016

	Notes	Hostel Property Revenue Account		General Income and Expenditure Account	
		2016 £	2015 £	2016 £	2015 £
Operating costs		<u>291,318</u>	<u>268,870</u>	<u>-</u>	<u>-</u>
Operating deficit carried forward		<u>(51,233)</u>	<u>(23,751)</u>	<u>-</u>	<u>-</u>
Interest receivable and other income					
Interest received		-	-	2,233	2,402
Donations and bequests		-	-	316	680
		<u>-</u>	<u>-</u>	<u>2,549</u>	<u>3,083</u>
Profit on sale of fixed asset		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Deficit)/surplus for the year		(51,233)	(23,751)	2,549	3,082
Transfers between accounts		51,233	23,751	(51,233)	(23,751)
(Deficit) for the year		<u>-</u>	<u>-</u>	<u>(48,684)</u>	<u>(20,669)</u>

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