

Company Number: 1117696
Registered Charity Number: 266208

The Abbeyfield Saltash Society Limited

Annual Report

Year Ended 31 July 2004

The Abbeyfield Saltash Society Limited

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Year Ended 31 July 2004

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The Abbeyfield Saltash Society Limited

Officers, Professional Advisors and Registered Office

Executive Committee:

E R Distin	Chairman
W J Walton	Treasurer
D Owen	
M Gwynn (resigned 30 th March 2004)	
M D Howells	
H Lyne	
H Greeves	
S Hooper	
S Phipps	

Secretary:

M Baker

Auditors:

Francis Clark
Chartered Accountants
31 Houndiscombe Road
Mutley
PLYMOUTH

Bankers:

Barclays Bank plc

Solicitors:

Blight Skinnard

Registered Office:

Chichester House
27 St Stephens Road
SALTASH

The Abbeyfield Saltash Society Limited

Report of the Executive Committee

Year Ended 31 July 2004

The Executive Committee submits its annual report and audited financial statements for the Society for the year ended 31 July 2004.

1 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 housing activities as defined in the Housing Act 1974. The Society provides accommodation for five residents at Chichester House, 27 St Stephens Road, Saltash and seven residents at Cresta House, 40 Callington Road, Saltash.

2 Status

The Society is a company limited by guarantee having no share capital and with solely charitable objectives. It is a registered charity (number 266208), and a member of the Housing Association (number H2295).

3 Results

The results for the year are set out in the income and expenditure account on page 6. The committee considers that the state of affairs of the Society is satisfactory.

4 Fixed Assets

Note 3 on page 10 summarises the changes to the amounts of cost and depreciation on the freehold properties and fixtures and fittings. The committee is of the opinion that there is no significant difference between the book cost and market value for the existing use of the freehold properties.

5 Executive Committee

The members of the Executive Committee who served during the year were:

E R Distin (Chairman), W J Walton (Treasurer), D Owen, M Gwynn (resigned 30th March 2004), M D Howells, H Lyne, H Greeves, S Hooper and S Phipps.

6 Auditors

A resolution for the re-appointment of Francis Clark as auditors will be proposed at the annual general meeting.

The Abbeyfield Saltash Society Limited

Report of the Executive Committee

Year Ended 31 July 2004

7 Statement of Responsibilities of the Executive Committee

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 is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 is 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. It is 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.



M Baker (Secretary)

On behalf of the Executive Committee

The Abbeyfield Saltash Society Limited

Independent Auditors' Report to the Members

We have audited the financial statements of The Abbeyfield Saltash Society Limited for the year ended 31 July 2004 which comprise the Income and Expenditure Account, the Balance Sheet and related notes. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the members as a body in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Executive Committee and Auditors

The Executive Committee responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Report of the Executive Committee.

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. 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 directors' remuneration and transactions with the company is not disclosed.

Basis of 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.

The Abbeyfield Saltash Society Limited

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2004 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 Act 1996, the Accounting Requirements for Registered Social Landlords General Determination 2000, and the Statement of Recommended Practice for Housing Associations.

Francis Clark
Chartered Accountants
31 Houdiscombe Road
Mutley
PLYMOUTH
PL4 6HA

21/1/05

Francis Clark
Registered Auditor

The Abbeyfield Saltash Society Limited

Income and Expenditure Account

Year Ended 31 July 2004

	Note	2004 £	2003 £
Housing Activities			
Turnover	8	83,428	77,154
Operating costs	11	74,034	67,982
Operating surplus		9,394	9,172
Interest receivable		383	249
Donations receivable		33	-
Surplus on ordinary activities before taxation		9,810	9,421
Taxation		-	-
Surplus for the year	12	9,810	9,421
Transfer from designated property maintenance reserve	7	-	-
Surplus retained and transferred to revenue reserve	6	9,810	9,421

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

The Society has no recognised surpluses or deficits other than the surplus for the year.

The Society's results derive from continuing activities.

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

The Abbeyfield Saltash Society Limited

Balance Sheet

31 July 2004

	Note	2004 £	2003 £
Tangible Fixed Assets			
Housing land and buildings	3	195,261	196,898
Less: SHG	3	(84,895)	(84,895)
		<u>110,366</u>	<u>112,003</u>
Improvements to property	3	74,539	76,156
Fixtures and fittings	3	6,038	5,709
		<u>190,943</u>	<u>193,868</u>
Current Assets			
Debtors	4	538	950
Cash at bank		47,951	34,448
		<u>48,489</u>	<u>35,398</u>
Current Liabilities			
Creditors due within one year	5	1,740	1,385
Net Current Assets		<u>46,749</u>	<u>34,013</u>
Total Assets Less Current Liabilities		<u><u>237,692</u></u>	<u><u>227,881</u></u>
Revenue Reserve	6	222,692	212,881
Designated Property Maintenance Reserve	7	15,000	15,000
		<u><u>237,692</u></u>	<u><u>227,881</u></u>

These financial statements were approved by the Committee on by:

E Distin - Chairman

M Baker - Secretary

W J Walton - Treasurer

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2004

1 Status of Society

The Abbeyfield Saltash Society Limited is registered under the Companies Act and is a registered charity.

The company is one limited by guarantee and not having a share capital in accordance with the Companies Act 1985. Every member of the company undertakes to guarantee the liabilities of the company up to an amount not exceeding one pound each.

2 Accounting Policies

These accounts are prepared under the historical cost convention and are in accordance with applicable Accounting Standards in the United Kingdom and in accordance with the Statement of Recommended Practice (the SORP) issued by the National Federation of Housing Associations, the Welsh Federation of Housing Associations and the Scottish Federation of Housing Associations, and with the Accounting Requirements for Registered Social Landlords General Determination 2000.

a) Social Housing Grants (SHGs)

SHGs are made by the Department of the Environment and are utilised to reduce the amount of mortgage loans to a level that can be financed from the equivalent fair rental income available. The grants are made direct to the lending authority and are reflected in the Society's accounts only when the payment has been made and the relevant mortgage loan reduced.

b) Housing, Land and Buildings: SHG - Assisted Schemes

Cost, irrespective of the source of finance, includes costs of acquisition, development expenditure, interest on mortgage and other loan financing up to date of completion of project for occupation, and other costs if these are covered by a SHG grant.

c) Housing, Land and Buildings: Other Schemes

Cost includes acquisition and development expenditure, and interest on loan financing up to the date of completion of project for occupation.

d) Fixtures, Fittings and Equipment

Assets donated to the Society are not included in the balance sheet, other assets are included at cost.

e) Depreciation

Fixed assets are depreciated at the following rates:

Freehold property	-	2% straight line
Fixtures & fittings	-	10% of written down value

No depreciation is provided on freehold land. Depreciation is charged so as to write down the cost (net of social housing grant) of freehold housing properties other than freehold land to their estimated residual value on a straight line basis over the expected useful economic lives.

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2004

f) Donations

Donations are recorded in the financial statements according to the period in which they are received.

g) Apportionment of Management Expenses (Note 11)

Direct employee, administration and operating costs have been apportioned to the property revenue account and the relevant sections of the income and expenditure account on the basis of costs of the staff to the extent that they are directly engaged in each of the operations dealt with in these accounts.

h) Pension Costs

Retirement benefits for certain employees of the Society are provided by a defined contribution scheme, which is funded by contributions from the Society and employees. Payments are made to a pension trust which is financially separate from the Society. These payments are made in accordance with periodic calculations by professionally qualified actuaries. Payments are charged against income in order to provide for the expected pension costs over the service lives of employees in the scheme, such that the regular pension cost is a substantially level percentage of current and future pensionable payroll in the light of current actuarial assumptions.

i) Property Maintenance Reserve

A specific designated reserve has been established to allocate funds for future major repairs. It is estimated that the cycle of repairs is a five year period.

For this period an estimate of £3,000 has been calculated as the likely annual repair bill in the next five years.

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2004

3	Fixed Assets	Freehold property £	Improvements to Property £	Fixtures & fittings £	Total £
	Cost				
	At 1 August 2003 and 31 July 2004	201,809	80,747	12,718	295,274
	Additions	-	-	1,000	1,000
		<u>201,809</u>	<u>80,747</u>	<u>13,718</u>	<u>296,274</u>
	Social Housing Grant				
	At 1 August 2003 and 31 July 2004	84,895	-	-	84,895
	Depreciation				
	At 1 August 2003	4,911	4,591	7,009	16,511
	Charge for year	1,637	1,617	671	3,925
	At 31 July 2004	<u>6,548</u>	<u>6,208</u>	<u>7,680</u>	<u>20,436</u>
	Net Book Value				
	At 31 July 2004	<u>110,366</u>	<u>74,539</u>	<u>6,038</u>	<u>190,943</u>
	At 31 July 2003	<u>112,003</u>	<u>76,156</u>	<u>5,709</u>	<u>193,868</u>

No assets of greater than nominal value have been donated during the current year.

4	Debtors: Due within one year	2004 £	2003 £
	Prepayments	<u>538</u>	<u>950</u>
5	Creditors: Due within one year		
	Accruals	<u>1,740</u>	<u>1,385</u>

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2004

		2004 £	2003 £
6	Revenue Reserve		
	Balance at 1 August 2003	212,881	203,460
	Surplus for year	9,810	9,421
	Balance at 31 July 2004	222,691	212,881
7	Designated Property Maintenance Reserve		
	Balance at 1 August 2003	15,000	15,000
	Transfer to revenue reserves	-	-
	Balance at 31 July 2004	15,000	15,000
8	Turnover		
	Residential charges receivable	88,015	84,806
	Losses arising from vacancies	(4,587)	(7,652)
	Net income from residential charges	83,428	77,154
9	Employees Costs		
	Salaries: Housekeepers and administration	22,236	19,468
	Housekeepers pension costs	502	755
	Costs: Domestic Help	11,409	8,902
		34,147	29,125
		2004 Number	2003 Number
	Average number of persons employed during year	3	3

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2004

10 Director's Emoluments

No remuneration was paid to any of the Society's directors during the year.

11 Operating Costs

	Management	Services	Current Maintenance	Finance & Maintenance	2004 Total	2003 Total
	£	£	£	£	£	£
Insurances & Rates	6,026	-	-	-	6,026	6,928
Membership fee	-	-	-	2,207	2,207	2,193
Audit and accountancy	-	-	-	825	825	787
Employee costs	-	34,147	-	-	34,147	29,125
Food and other household costs	-	16,103	-	-	16,103	17,001
Heat and light	-	3,305	-	-	3,305	2,950
Telephone	-	583	-	-	583	468
Depreciation	-	3,925	-	-	3,925	3,889
Repairs and renewals	-	-	6,132	-	6,132	3,295
Postage, stationery, printing and advertising	-	500	-	-	500	420
Sundries	280	-	-	-	280	926
	<u>6,306</u>	<u>58,563</u>	<u>6,132</u>	<u>3,032</u>	<u>74,033</u>	<u>67,982</u>

12 Surplus for the Year

	2004 £	2003 £
The surplus for the year is after charging:		
Audit fee	825	787
Depreciation written off tangible fixed assets	<u>3,925</u>	<u>3,889</u>

13 Housing Stock

	Units in Management 2004 Number	2003 Number
Hostel accommodation - number of bed spaces	<u>12</u>	<u>12</u>