

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**ANNUAL REPORT**

**YEAR ENDED 31<sup>st</sup> JULY 2013**

**Charity Registration Number 266208**  
**Company Registration number 01117696**



A43      \*A2O45NGP\*      #138  
COMPANIES HOUSE

**DAWE, HAWKEN & DODD**  
Chartered Certified Accountants  
Callington, Cornwall

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**CONTENTS OF THE ANNUAL REPORT**  
**FOR THE YEAR ENDED 31<sup>st</sup> JULY 2013**

	<b>Page</b>
Administrative Information	1
Report of the Executive Committee	2
Report of the Independent Auditors	4
Income and Expenditure Account	6
Balance Sheet	7
Notes to the Financial Statements	8

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31<sup>st</sup> JULY 2013**

EXECUTIVE COMMITTEE	E R Distin W J Walton Mrs H Greeves R Brown	Chairman Treasurer
SECRETARY	Mrs C Gerry	
REGISTERED OFFICE	40 Callington Road Saltash Cornwall PL12 6DY	
REGISTERED NUMBER	01117696 (England and Wales)	
AUDITORS	Dawe, Hawken & Dodd Chartered Certified Accountants 52 Fore Street Callington Cornwall PL17 7AJ	
BANKERS	Barclays Bank Plc	

# **THE ABBEYFIELD SALTASH SOCIETY LIMITED**

## **REPORT OF THE EXECUTIVE COMMITTEE** **FOR THE YEAR ENDED 31<sup>st</sup> JULY 2012**

The Executive Committee submits its annual report and audited financial statements for the Society for the year ended 31<sup>st</sup> July 2013

### **1 Principal Activity**

The principal activity of the Society is to provide sheltered accommodation for the elderly 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 six residents at Chichester House, 27 St Stephens Road, Saltash and seven residents at Cresta House, 40 Callington Road, Saltash. The property at Chichester was sold in November 2012 and a property at Trewinney, 42 Callington Road was subsequently purchased, which will accommodate five residents.

### **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 Tenant Services Authority (number H2295).

### **3 Public Benefit**

The Charities Act 2006 introduced the requirement for charities to show that they provided public benefit. The Executive Committee have reviewed the objects, goals, services and objectives of the charity in the light of this requirement and can confirm that Abbeyfield Saltash Society Limited serves for the public benefit. This Executive Committee's annual report continues to evidence how the charity strives to meet need.

### **4 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.

### **5 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.

### **6 Executive Committee**

The members of the Executive Committee who served throughout the year were E R. Distin (Chairman), W J. Walton (Treasurer), H. Greeves and R. Brown.

### **7 Auditors**

A resolution for the re-appointment of Dawe Hawken and Dodd as auditors will be proposed at the annual general meeting.

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**REPORT OF THE EXECUTIVE COMMITTEE**  
**FOR THE YEAR ENDED 31<sup>st</sup> JULY 2013**

**8 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 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.

In so far as the Executive Committee are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the Executive Committee have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

**9 Review of the Year**

A year of upheaval in financial terms. Chichester House was sold for £220,000 and Trewinney purchased for £375,000. A loan from Abbeyfield central funds of £155,000 was provided to complete the purchase. Further loans are agreed to finance the alterations and improvements amounting to £81,000. An exposure of a mains water sewer pipe resulted in considerable delay with the society having to commission a CCTV Drains Survey to satisfy South West Water that it could be built over.

There has been strong interest in the take up of apartments and optimism remains. Reassessment of Council Tax liability has meant an increase of approximately £5,000 per annum. The matter is under appeal but we are liable for the increase until our appeal is considered. Residents have been warned that if our appeal fails the impost will be passed on to them.

Failure of our chair lift earlier in the year resulted in replacement at a cost of £6,000.

In terms of normal functioning, there has been a low level of vacancies during the year thus generating reasonable surplus by holding running expenditure at an acceptable level.

Barring unforeseen circumstances, we look forward to rebuilding our reserves and commence repayment of the loans from central funds.



C Gerry (Secretary)  
On behalf of the Executive Committee

Dated 6th December 2013

## **THE ABBEYFIELD SALTASH SOCIETY LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ABBEYFIELD SALTASH SOCIETY LIMITED**

We have audited the financial statements of The Abbeyfield Saltash Society Limited for the year ended 31<sup>st</sup> July 2013 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 herein.

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).

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an Auditors' 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 charity and the charity'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 described in the Statement of Responsibilities of the Executive Committee set out on page 3, the Executive Committee (who are also the directors of the charity for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The Executive Committee have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

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 Practices Board's (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Executive Committee, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Executive Committee to identify material inconsistencies with the audited financial statements. If we become aware of any apparent 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, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charitable company's affairs as at 31<sup>st</sup> July 2013 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended, and
- have been properly prepared in accordance with the Companies Act 2006,

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion

- the information given in the Report of the Executive Committee is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records or returns, or
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Ian Pearce (Senior Statutory Auditor)  
For and on behalf of  
Dawe, Hawken & Dodd  
Chartered Certified Accountants  
52 Fore Street  
Callington  
Cornwall  
PL17 7AJ

Date 18th December 2013

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>st</sup> JULY 2013**

	<b>Note</b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total 2013</b>	<b>Total 2012</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>HOUSING ACTIVITIES</b>					
Turnover	9	-	90,913	90,913	89,897
Operating Costs	12	(1,000)	(86,466)	(87,466)	(102,638)
Operating Surplus/(Deficit)		(1,000)	4,447	3,447	(12,741)
Interest Receivable		-	365	365	687
Surplus/(Deficit) on ordinary activities before taxation		(1,000)	4,812	3,812	(12,054)
Surplus on Sale of Fixed Assets		-	92,493	92,493	-
Taxation		-	-	-	-
Surplus/(Deficit) for the year	13	(1,000)	97,305	96,305	(12,054)

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

The Society has no recognised surpluses or deficits other than the results for the period as set out above

All the activities of the Society are classed as continuing

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

The notes on pages 8 to 12 form part of these financial statements



**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**BALANCE SHEET**

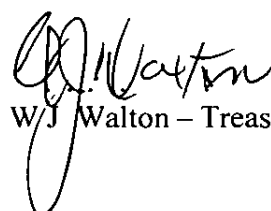
**31<sup>st</sup> JULY 2013**

**Charity Registration Number 266208**  
**Company Registration Number 01117696**

	<u>Note</u>	<u>2013</u>		<u>2012</u>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Housing land and buildings		462,834		182,165	
Less SHG		84,895		84,895	
Abbeyfield Loan		<u>235,381</u>	142,558	<u>-</u>	97,270
Improvements to property			187,183		85,644
Fixtures and fittings			<u>17,785</u>		<u>19,763</u>
			347,526		202,677
<b>CURRENT ASSETS</b>					
	3				
Debtors	4	592		1,273	
Cash at bank		<u>3,118</u>		<u>51,008</u>	
		3,710		52,281	
<b>CURRENT LIABILITIES:</b>					
Amounts falling due within one year	5	<u>3,477</u>		<u>3,504</u>	
<b>NET CURRENT ASSETS</b>					
			<u>233</u>		<u>48,777</u>
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>					
			<u>347,759</u>		<u>251,454</u>
<b><u>RESERVES</u></b>					
Unrestricted Revenue Reserve	6	320,759		223,454	
Designated Property Maintenance Reserve	7	25,000		25,000	
Restricted Fund		<u>2,000</u>		<u>3,000</u>	
		<u>347,759</u>		<u>251,454</u>	

These financial statements were approved by the Committee on 6<sup>th</sup> December 2013 by

  
E Distin – Chairman

  
W.J. Walton – Treasurer

  
C Gerry - Secretary

The notes on pages 8 to 12 form part of these financial statements

# **THE ABBEYFIELD SALTASH SOCIETY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2013**

### **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 2001. 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**

#### **Basis of Preparing the Financial Statements**

The financial statements 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 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 cost 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) Incoming Resources**

##### **Grant Income**

Capital grants which are given for a specific purpose and have conditions imposed are treated as restricted fund income

#### **e) Fixtures, Fittings and Equipment**

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

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>st</sup> JULY 2013**

**f) Depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property - 2% on a straight line basis

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 properties other than freehold land to their estimated residual value on a straight line basis over the expected useful economic lives

**g) Donations**

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

**h) Apportionment of Management Expenses (see Note 12)**

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

**i) 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

**j) 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 £5,000 has been calculated as the likely annual repair bill in the next five years

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2013**

**3 Fixed Assets**

	<b>Freehold Property £</b>	<b>Improvements to Property £</b>	<b>Fixtures &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 <sup>st</sup> August 2012	201,809	108,104	42,926	352,839
Additions	377,647	126,863	-	504,510
Disposals	<u>186,848</u>	<u>26,806</u>	<u>-</u>	<u>213,654</u>
At 31 <sup>st</sup> July 2013	<u>392,608</u>	<u>208,161</u>	<u>42,926</u>	<u>643,695</u>
<b>Social Housing Grant</b>				
At 1 August 2012 and 31 July 2013	84,895	-	-	84,895
<b>Abbeyfield Loan</b>				
At 31 July 2013	<u>235,381</u>	=	=	<u>235,381</u>
	<u>320,276</u>	=	=	<u>320,276</u>
<b>Depreciation</b>				
At 1 <sup>st</sup> August 2012	19,644	22,460	23,163	65,267
Charge for the year	<u>(89,870)</u>	<u>(1,482)</u>	<u>1,978</u>	<u>(89,374)</u>
At 31 <sup>st</sup> July 2013	<u>(70,226)</u>	<u>20,978</u>	<u>25,141</u>	<u>(24,107)</u>
<b>Net Book Value</b>				
At 31 <sup>st</sup> July 2013	<u>142,558</u>	<u>187,183</u>	<u>17,785</u>	<u>347,526</u>
At 31 <sup>st</sup> July 2012	<u>97,270</u>	<u>85,644</u>	<u>19,763</u>	<u>202,677</u>

<b>4 Debtors: Due within one year</b>	2013	2012
	£	£
Prepayments	592	1,218
Accruals	<u>-</u>	<u>55</u>
	<u>592</u>	<u>1,273</u>
<b>5 Creditors: Due within one year</b>	2013	2012
	£	£
Creditors	1,557	1,639
Accruals	<u>1,920</u>	<u>1,865</u>
	<u>3,477</u>	<u>3,504</u>

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2013**

<b>6</b>	<b>Revenue Reserve</b>	2013	2012
		£	£
	Balance at 1 <sup>st</sup> August 2012	223,454	234,508
	(Deficit)/Surplus for the year	<u>97,305</u>	<u>(11,054)</u>
	Balance at 31 <sup>st</sup> July 2013	<u>320,759</u>	<u>223,454</u>

<b>7</b>	<b>Designated Property Maintenance Reserve</b>	2013	2012
		£	£
	Balance at 1 <sup>st</sup> August 2012 and 31 <sup>st</sup> July 2013	<u>25,000</u>	<u>25,000</u>

<b>8</b>	<b>Restricted Funds</b>	2013	2012
		£	£
	Balance at 1 <sup>st</sup> August 2012	3,000	4,000
	Operating Costs	<u>(1,000)</u>	<u>(1,000)</u>
	Balance at 1 <sup>st</sup> July 2013	<u>2,000</u>	<u>3,000</u>

The Restricted Fund balance relates to a donation of £10,000 towards costs of erecting a conservatory at Cresta. This amount is being depreciated over ten years.

<b>9</b>	<b>Turnover</b>	2013	2012
		£	£
	Residential charges receivable	124,526	124,526
	Losses arising from vacancies	<u>(34,498)</u>	<u>(34,629)</u>
	Net income from residential charges	<u>90,028</u>	<u>89,897</u>

<b>10</b>	<b>Employee Costs</b>	2013	2012
		£	£
	Salaries Housekeepers and administration	26,601	33,916
	Housekeepers pension costs	229	1,935
	Costs: Domestic Help	<u>9,420</u>	<u>14,150</u>
		<u>36,250</u>	<u>50,001</u>

		2013	2012
		Number	Number
	Average number of persons employed during the year	<u>5</u>	<u>5</u>

**THE ABBEYFIELD SALTASH SOCIETY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> JULY 2013**

**11 Directors' Emoluments**

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

**12 Operating Costs**

	Management	Services	Current Maintenance	Finance & Maintenance	2013 Total	2012 Total
	£	£	£	£	£	£
Insurances & Rates	9,161	-	-	-	9,161	8,267
Training costs	-	368	-	-	368	142
Membership fee	-	-	-	2,562	2,562	1,605
Audit & accountancy	-	-	-	960	960	1,020
Employee costs	-	36,250	-	-	36,250	50,001
Food & other household costs	-	13,501	-	-	13,501	16,744
Heat & light	-	6,395	-	-	6,395	5,874
Telephone	-	316	-	-	316	886
Depreciation	-	3,119	-	-	3,119	5,998
Repairs & renewals	-	-	12,611	-	12,611	9,938
Sundries	1,796	-	-	-	1,796	2,032
Interest	-	-	-	225	225	-
Postage & stationery	202	-	-	-	202	131
	<u>11,159</u>	<u>59,949</u>	<u>12,611</u>	<u>3,747</u>	<u>87,466</u>	<u>102,638</u>

**13 Deficit/Surplus for the Year**

	2013 £	2012 £
The deficit/surplus for the year is after charging		
Audit fee	960	1,020
Depreciation written off tangible fixed assets	3,119	5,998

**14 Housing Stock**

	Units in Management	
	2013 Number	2012 Number
Hostel accommodation – number of bed spaces	<u>13</u>	<u>13</u>