

The Abbeyfield Saltash Society Limited

Annual Report

Year Ended 31 July 2005

Company Number: 1117696

Registered Charity Number: 266208



The Abbeyfield Saltash Society Limited

Annual Report

Year Ended 31 July 2005

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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 D Howells	
H Lyne	
H Greeves	
S Hooper (resigned 31 July 2005)	
S Phipps (resigned 31 July 2005)	

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 2005

The Executive Committee submits its annual report and audited financial statements for the Society for the year ended 31 July 2005.

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 six 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 D Howells, H Lyne, H Greeves, S Hooper (resigned on 31 July 2005) and S Phipps (resigned on 31 July 2005).

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 2005

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 2005 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 2005 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985, the Housing 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

19/12/05.....

Francis Clark
Registered Auditor

The Abbeyfield Saltash Society Limited

Income and Expenditure Account

Year Ended 31 July 2005

	Note	2005 £	2004 £
Housing Activities			
Turnover	8	91,082	83,428
Operating costs	11	85,724	74,034
Operating surplus		5,358	9,394
Interest receivable		893	383
Donations receivable		-	33
Surplus on ordinary activities before taxation		6,251	9,810
Taxation		-	-
Surplus for the year	12	6,251	9,810

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 2005

	Note	2005 £	2004 £
Tangible Fixed Assets			
Housing land and buildings	3	193,624	195,261
Less: SHG	3	(84,895)	(84,895)
		<u>108,729</u>	<u>110,366</u>
Improvements to property	3	76,037	74,539
Fixtures and fittings	3	6,561	6,038
		<u>191,327</u>	<u>190,943</u>
Current Assets			
Debtors	4	577	538
Cash at bank		56,040	47,951
		<u>56,617</u>	<u>48,489</u>
Current Liabilities			
Creditors due within one year	5	4,001	1,740
Net Current Assets		<u>52,616</u>	<u>46,749</u>
Total Assets Less Current Liabilities		<u>243,943</u>	<u>237,692</u>
Revenue Reserve	6	223,943	222,692
Designated Property Maintenance Reserve	7	20,000	15,000
		<u>243,943</u>	<u>237,692</u>

These financial statements were approved by the Committee on 27.12.05 by:

E Distin - Chairman

W J Walton - Treasurer

M Baker - Secretary

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2005

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 2005

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 £4,000 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 2005

3	Fixed Assets	Freehold property £	Improvements to Property £	Fixtures & fittings £	Total £
	Cost				
	At 1 August 2004 and 31 July 2005	201,809	80,747	13,718	296,274
	Additions	-	3,178	1,253	4,431
		<u>201,809</u>	<u>83,926</u>	<u>14,971</u>	<u>300,705</u>
	Social Housing Grant				
	At 1 August 2004 and 31 July 2005	84,895	-	-	84,895
	Depreciation				
	At 1 August 2004	6,548	6,208	7,680	20,436
	Charge for year	1,637	1,681	730	4,048
	At 31 July 2005	<u>8,185</u>	<u>7,889</u>	<u>8,410</u>	<u>24,484</u>
	Net Book Value				
	At 31 July 2005	<u>108,729</u>	<u>76,037</u>	<u>6,561</u>	<u>191,326</u>
	At 31 July 2004	<u>110,366</u>	<u>74,539</u>	<u>6,038</u>	<u>190,943</u>

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

4	Debtors: Due within one year	2005 £	2004 £
	Prepayments	<u>577</u>	<u>538</u>

5	Creditors: Due within one year	2005 £	2004 £
	Creditors	2,691	-
	Accruals	<u>1,310</u>	<u>1,740</u>
		<u>4,001</u>	<u>1,740</u>

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2005

	2005 £	2004 £
6 Revenue Reserve		
Balance at 1 August 2004	222,692	212,881
Transfer to property maintenance reserves	(5,000)	-
Surplus for year	6,251	9,810
Balance at 31 July 2005	223,943	222,691
7 Designated Property Maintenance Reserve		
Balance at 1 August 2004	15,000	15,000
Transfer from revenue reserves	5,000	-
Balance at 31 July 2005	20,000	15,000
8 Turnover		
Residential charges receivable	95,575	88,015
Losses arising from vacancies	(4,493)	(4,587)
Net income from residential charges	91,082	83,428
9 Employees Costs		
Salaries: Housekeepers and administration	24,538	22,326
Housekeepers pension costs	630	502
Costs: Domestic Help	11,202	11,409
	36,374	34,147
	2005 Number	2004 Number
Average number of persons employed during year	3	3

The Abbeyfield Saltash Society Limited

Notes and Accounting Policies

Year Ended 31 July 2005

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	2005 Total	2004 Total
	£	£	£	£	£	£
Insurances & Rates	5,248				5,248	6,026
Membership fee	-	-	-	2,303	2,303	2,207
Audit and accountancy	-	-	-	870	870	825
Employee costs	-	36,374	-	-	36,374	34,147
Food and other household costs	-	16,727	-	-	16,727	16,103
Heat and light	-	4,819	-	-	4,819	3,305
Telephone	-	627	-	-	627	583
Depreciation	-	4,048	-	-	4,048	3,925
Repairs and renewals	-	-	14,044	-	14,044	6,132
Postage, stationery, printing and advertising	-	-	-	-	-	500
Sundries	664	-	-	-	664	280
	<u>5,912</u>	<u>62,595</u>	<u>14,044</u>	<u>3,173</u>	<u>85,724</u>	<u>74,033</u>

12 Surplus for the Year

	2005 £	2004 £
The surplus for the year is after charging:		
Audit fee	870	825
Depreciation written off tangible fixed assets	4,048	3,925
	<u>4,918</u>	<u>4,750</u>

13 Housing Stock

	Units in Management 2005 Number	2004 Number
Hostel accommodation - number of bed spaces	<u>13</u>	<u>12</u>

THE ABBEYFIELD SALTASH SOCIETY LIMITED

PROFIT AND LOSS ACCOUNT ANALYSIS BY HOUSE

YEAR ENDED 31 JULY 2005

	YEAR ENDED 31 JULY 2005				YEAR ENDED 31 JULY 2004			
	TOTAL	CHICHESTER		CRESTA	TOTAL	CHICHESTER		CRESTA
	£	£	£	£	£	£	£	£
INCOME								
Charges receivable	91,082		40,660	50,422	83,428	36,735		46,693
Interest receivable	893		447	447	383	191		191
Donations receivable	0		0	0	33	33		0
	91,975		41,107	50,868	83,843	36,959		46,884
EXPENDITURE								
Rates & Insurance	5,248	2,085		3,163	6,026	3,058	2,968	
Abbeyfield affiliation fee	2,303	754		1,548	2,207	719	1,489	
Audit and Accountancy	870	435		435	825	413	413	
Telephone	627	266		360	583	198	384	
Electricity and gas	4,819	1,753		3,066	3,305	1,594	1,711	
Wages and national insurance	24,538	12,034		12,505	23,027	11,194	11,833	
Pension costs	630	0		630	502	0	502	
Domestic help	11,206	4,499		6,707	10,618	5,213	5,404	
Running costs, food and cleaning	16,727	7,636		9,090	16,103	6,982	9,121	
Officers' expenses	109	0		109	11	0	11	
Administration sundries	351	78		273	269	65	204	
Repairs and renewals	14,044	3,373		10,671	6,132	4,239	1,893	
Legal fees	0	0		0	0	0	0	
Stationery, printing and advertising	0	0		0	500	147	353	
Depreciation - Freehold property	3,318	1,659		1,659	3,254	1,627	1,627	
Depreciation - fixtures and fittings	730	365		365	671	336	336	
Sundries	204	31		173	0	0	0	
Bad debt	0	0		0	0	0	0	
	85,724		34,968	50,756	74,033	35,783		38,250
NET SURPLUS	6,251		6,138	112	9,810	1,176		8,634