

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)

**FINANCIAL STATEMENTS**

**30 SEPTEMBER 2005**

**Registered number : 926812**

**TONY HAILWOOD LTD**  
**CHARTERED ACCOUNTANTS**  
**Heswall, Wirral**



**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
**(a company limited by guarantee)**

**FINANCIAL STATEMENTS**

**for the year ended 30 September 2005**

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**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
**(a company limited by guarantee)**  
**FINANCIAL STATEMENTS**  
**for the year ended 30 September 2005**

Incorporated in England and Wales on 5 February 1968

Company registration number 926812

Charity registration number 255757

Housing corporation registration number H2738

**BOARD MEMBERS**

Mrs J Nicholls - Chairman  
A Davies - Secretary  
W H Nicholls - Treasurer  
P Stirrup - (resigned 18 October 2004)  
A Bengay  
Mrs J Hirst  
Mrs J Pejovic - (resigned 1 August 2005)

**REGISTERED OFFICE**

14 Davenport Road  
Heswall  
Wirral  
CH60 9LF

**BANKERS**

Barclays Bank plc  
Charing Cross  
Birkenhead

**AUDITORS**

Tony Hailwood Ltd  
Chartered Accountants  
14 Davenport Road  
Heswall  
Wirral  
CH60 9LF

**SOLICITORS**

Percy Hughes and Roberts  
19 Hamilton Square  
Birkenhead

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)

**REPORT OF THE BOARD**

**30 September 2005**

The board members, who are also the Charity's trustees, submit their thirty-seventh annual report together with the accounts for the year ended 30 September 2005.

**Principal activity**

The principal activity of the society is to provide accommodation, care and companionship for the lonely or frail elderly people in accordance with the aims and principles of The Abbeyfield Society. This activity falls wholly within hostel housing activities as defined in the Housing Act 1996.

**Status**

The society is a company limited by guarantee (number 926812), having no share capital, and with solely charitable objectives, registered as a charity (number 255757) and registered with the Housing Corporation as a housing association (number H2738). The Charity is governed by its Memorandum and Articles of Association.

**Directors**

The directors who served during the year are shown on page 1.

**Review of business and results for the year**

The board considers that the results for the year to 30 September 2005 are satisfactory.

**Auditors**

Tony Hailwood Ltd have agreed to offer themselves for re-appointment as auditors of the company.

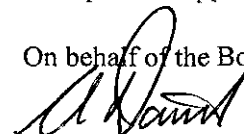
**Small company exemptions**

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

14 Davenport Road  
Heswall  
Wirral  
CH60 9LF

27 February 2006

On behalf of the Board



A Davies  
Secretary

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
**(a company limited by guarantee)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

We are required under company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the society and of the surplus or deficit of the society for that period. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

On behalf of the board

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)

**AUDITORS' REPORT**

**Auditors' report to the members of  
The Abbeyfield Oxtton and Prenton Society  
(a company limited by guarantee)**

We have audited the financial statements on pages 5 to 12 which have been prepared under the accounting policies set out on pages 7 and 8.

**Respective responsibilities of the directors and auditors**

As described on page 3 the board members are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the society's circumstances, consistently applied and adequately disclosed.

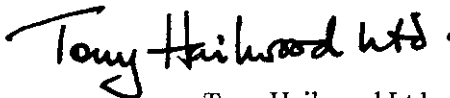
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

This report is made solely to the society's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we may state to the Society'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 society and the society's members as a body for our audit work, for this report, or for the opinions we have formed.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the society's affairs as at 30 September 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985, Schedule 1 to the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 2000.

Heswall, Wirral  
27 February 2006

  
Tony Hailwood Ltd  
Registered Auditors  
Chartered Accountants

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
**(a company limited by guarantee)**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

**for the year ended 30 September 2005**

	Note	2005 £	2004 £
Turnover	2.3	145,739	167,678
Operating costs		<u>177,390</u>	<u>180,826</u>
<b>Net surplus / (deficit) for the year</b>		(31,651)	(13,148)
Interest receivable and other income	6	<u>6,792</u>	<u>20,378</u>
<b>Surplus/ (deficit) on ordinary activities for the year</b>		(24,859)	7,230
Revenue reserve brought forward		<u>874,566</u>	<u>867,336</u>
<b>Revenue reserve carried forward</b>	12	<u><u>849,707</u></u>	<u><u>874,566</u></u>

The society's only activity was the provision of hostel accommodation

None of the society's activities were acquired or discontinued during the above two financial periods.

There are no recognised gains and losses in the year ended 30 September 2005 or the year ended 30 September 2004 other than the surplus or deficit for the year.

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)

**BALANCE SHEET AS AT 30 SEPTEMBER 2005**

	Note	£	2005 £	£	2004 £
<b>Fixed assets</b>					
<b>Tangible assets</b>	7		818,319		734,240
<b>Current assets</b>					
Debtors and prepayments	8	2,299		581	
Investments	9	49,086		49,086	
Cash at bank and in hand		5,932		116,511	
		<u>57,317</u>		<u>166,178</u>	
<b>Creditors:</b>					
Amounts falling due within one year	10	<u>(10,329)</u>		<u>(9,852)</u>	
<b>Net current assets</b>			46,988		156,326
<b>Total assets less current liabilities</b>			<u>865,307</u>		<u>890,566</u>
<b>Financed by</b>					
Designated reserve	12		15,600		16,000
Charitable reserve - financing capital expenditure					
Revenue reserve	12		<u>849,707</u>		<u>874,566</u>
			<u>865,307</u>		<u>890,566</u>

The financial statements were approved by the board on 27 February 2006 and signed on its behalf by:

J Nicholls  
Chairman

W H Nicholls  
Director



**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)

**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2005**

**1 Status of society**

The society is registered under the Companies Act 1985 (registered number 926812) and the Housing Act 1996 (Housing Corporation registered number (H2738) and is a registered charity (number 255757).

The society is wholly engaged in hostel activities as defined in the Housing Act 1996.

**2 Accounting policies**

**2.1 General**

The principal accounting policies of the society are set out in the following sub-paragraphs:

**2.2 Accounting basis**

These accounts are prepared under the historical cost convention, 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, and with the Accounting Requirements for Registered Social Landlords General Determination 2000.

**2.3 Turnover**

Turnover comprises rental and service income receivable.

**2.4 Fixed assets: Housing land and buildings**

Housing land and buildings are stated at cost. The cost of properties is their purchase price together with incidental costs of acquisition including interest payable. Interest payable is capitalised by applying the society's cost of borrowing to expenditure during the construction of the property up to the date of practical completion.

Housing properties in the course of construction are stated at cost and are transferred into housing properties when completed.

**2.5 Depreciation**

**2.5.1 Housing land and buildings: Social Housing Grant (SHG) assisted schemes**

- (i) Depreciation, as defined in (ii) below, is provided on the cost of freehold buildings;
- (ii) Depreciation is not charged on that portion of the cost which has qualified, or which will qualify, for SHG;
- (iii) For that portion of the cost financed by borrowings or from the society's own, or other charitable resources, a charge is made to the hostel property revenue account for depreciation on buildings at 2% per annum on such cost.

**2.5.2 Fixtures, fittings and equipment**

Depreciation is charged on the reducing balance basis at 20% per annum.

**2.6 Social Housing Grant**

Where developments have been financed wholly, or partly, by Social Housing Grant, the net book value of those developments has been reduced by the amount of the grant receivable which is shown separately in the balance sheet. Provision is made for repayment of SHG when the property is expected to be sold in the foreseeable future. SHG in respect of housing properties in the course of construction received in advance of expenditure is shown as a current liability.

**2.7 Fixed assets: Fixtures, fittings and equipment**

Assets donated to the society are not included in the balance sheet; other assets are included at cost.

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)

**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2005**

**2 Accounting policies (continued)**

**2.8 Future cyclical and major repairs**

It is the board members' policy to charge repairs in the current year. Future major repairs are to be provided for as and when planned.

The society manages only hostel accommodation and thus there is no contribution from Rent Surplus Fund to major repairs.

**2.9 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.

**2.10 Corporation tax and VAT**

The society has charitable status and is exempt from Corporation Tax on the income it has received.

The society is not registered for VAT. Accordingly, no VAT is charged to residents, and expenditure in the income and expenditure account includes the relevant VAT.

**2.11 Pensions**

The society has no pension arrangements for its employees, other than Social Security benefits.

**3 Directors and employees**

	2005 £	2004 £
<b>Employee costs:</b>		
Salaries and wages	92,641	92,395
	<u>Number</u>	<u>Number</u>
Average weekly number of persons employed during the year including part time employees		
Hostel staff	7	7
Administration staff	1	1
	<u>8</u>	<u>8</u>

**4 Payments to members, committee members, officers, etc.**

	2005 £	2004 £
Expenses paid to officers of the society who were not employees	394	445



**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2005**

**7 Tangible fixed assets**

	Housing properties £	Fixtures fitting and equipment £	Total £
<b>Cost - completed schemes</b>			
At 30 September 2004	950,792	45,583	996,375
Additions	103,707	150	103,857
Disposals	-	-	-
	<u>1,054,499</u>	<u>45,733</u>	<u>1,100,232</u>
At 30 September 2005	<u>1,054,499</u>	<u>45,733</u>	<u>1,100,232</u>
<b>Social Housing Grant</b>			
At 30 September 2004	60,000	-	60,000
Received in year	-	-	-
	<u>60,000</u>	<u>-</u>	<u>60,000</u>
At 30 September 2005	<u>60,000</u>	<u>-</u>	<u>60,000</u>
<b>Depreciation</b>			
At 30 September 2004	166,741	35,394	202,135
Charged in year	17,710	2,068	19,778
Released in year	-	-	-
	<u>184,451</u>	<u>37,462</u>	<u>221,913</u>
At 30 September 2005	<u>184,451</u>	<u>37,462</u>	<u>221,913</u>
<b>Net book amount</b>			
At 30 September 2005	<u>810,048</u>	<u>8,271</u>	<u>818,319</u>
At 30 September 2004	<u>724,051</u>	<u>10,189</u>	<u>734,240</u>

<b>8 Debtors</b>	<b>2005 £</b>	<b>2004 £</b>
Other debtors	2,299	581
Tax repayable	-	-
	<u>2,299</u>	<u>581</u>

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2005**

<b>9 Current asset investments</b>	<b>2005 £</b>	<b>2004 £</b>
<b>Listed investments</b>		
At cost	<u>49,086</u>	<u>49,086</u>
At market value	<u>53,084</u>	<u>54,311</u>
<b>10 Creditors: amounts falling due within one year</b>	<b>2005 £</b>	<b>2004 £</b>
Accruals	<u>10,329</u>	<u>9,852</u>
	<u>10,329</u>	<u>9,852</u>
<b>11 Called up share capital</b>	<b>2005 Number</b>	<b>2004 Number</b>
The company is limited by guarantee and does not have a share capital. The number of members, each of whose liability is limited to £1, at the year end was		
	<u>6</u>	<u>6</u>
<b>12 Reserves</b>	<b>Income and Expenditure Account</b>	<b>Charitable reserve financing capital expenditure</b>
	<b>£</b>	<b>£</b>
At 30 September 2004	874,566	16,000
Depreciation on assets added back	-	(400)
Surplus / (deficit) for year	<u>(24,859)</u>	-
At 30 September 2005	<u>849,707</u>	<u>15,600</u>

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2005**

13 Housing stock	Units under development		Units in management	
	2005	2004	2005	2004
Hostel accommodation				
- Number of bed spaces				
2 Gerald Road	-	-	9	9
65 Prenton Road West	-	-	14	12
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
14 Capital commitments			2005	2004
			£	£
Expenditure contracted			-	-
			<u>          </u>	<u>          </u>

**15 Related parties**

**Control**

The society is controlled by its board members whose names are shown on page 1.

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
(a company limited by guarantee)  
**DETAILED HOSTEL PROPERTY REVENUE ACCOUNT**  
for the year ended 30 September 2005

	2005 £	2004 £
<b>Income</b>		
Residents' charges	214,149	196,566
Losses arising from vacancies and absences	(68,410)	(28,888)
	<hr/>	<hr/>
<b>Turnover - Net income from residents' charges</b>	<b>145,739</b>	<b>167,678</b>
	<hr/>	<hr/>
<b>Expenditure</b>		
<b>Management expenses</b>		
Insurance	2,196	2,343
Telephone - administration	129	131
Membership fee - The Abbeyfield Society	4,908	5,647
Auditors' remuneration	1,350	1,586
Administration salaries	6,657	6,434
Stationery and postage	474	676
Bank charges	97	15
Travel	1,015	1,083
Conferences and training	306	167
Advertising	613	540
	<hr/>	<hr/>
	<b>17,745</b>	<b>18,622</b>
	<hr/>	<hr/>
<b>Repairs and maintenance</b>		
Day to day repairs	11,899	14,682
	<hr/>	<hr/>
<b>Service costs</b>		
Care and catering		
Employee costs	92,641	92,395
Food costs and cleaning materials	16,112	19,217
Window cleaning	1,270	1,255
Garden maintenance	1,280	1,355
Council tax / rates	1,907	1,849
Water rates	1,813	2,191
Heating and lighting	11,247	9,513
Telephone	906	813
Sundry expenses	1,192	786
Depreciation		
Fixtures, fittings and equipment	2,068	2,547
Buildings	17,310	15,601
	<hr/>	<hr/>
	<b>147,746</b>	<b>147,522</b>
	<hr/>	<hr/>
<b>Operating costs</b>	<b>177,390</b>	<b>180,826</b>
	<hr/>	<hr/>
<b>Hostel property revenue</b>		
Operating (deficit) / surplus	(31,651)	(13,148)
	<hr/>	<hr/>