

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

**FINANCIAL STATEMENTS**

**30 SEPTEMBER 2004**

**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 2004**

**CONTENTS**

	<b>Page</b>
Company information	1
Report of the board	2
Statement of board members' responsibilities	3
<i>Auditors' report</i>	4
Income and expenditure account	5
Balance sheet	6
Notes to the financial statements	7 to 12
<i>Detailed hostel property revenue account</i>	13

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
**(a company limited by guarantee)**  
**FINANCIAL STATEMENTS**  
**for the year ended 30 September 2004**

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 - (appointed 19 February 2004)

**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 2004**

The board members, who are also the Charity's trustees, submit their thirty-sixth annual report together with the accounts for the year ended 30 September 2004.

**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 principals 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 2004 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

28 February 2005

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 2004 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  
28 February 2005



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 2004

	Note	2004 £	2003 £
Turnover	2.3	167,678	180,260
Operating costs		180,826	197,428
<b>Net surplus / (deficit) for the year</b>		(13,148)	(17,168)
Interest receivable and other income	6	20,378	12,887
<b>Surplus/ (deficit) on ordinary activities for the year</b>		7,230	(4,281)
Revenue reserve brought forward		867,336	871,617
<b>Revenue reserve carried forward</b>	12	874,566	867,336

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.

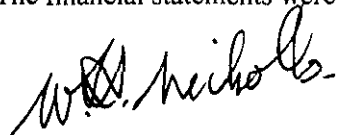
There are no recognised gains and losses in the year ended 30 September 2004 or the year ended 30 September 2003 other than the surplus or deficit for the year.

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

**BALANCE SHEET AS AT 30 SEPTEMBER 2004**

	Note	£	2004 £	£	2003 £
<b>Fixed assets</b>					
<b>Tangible assets</b>	7		734,240		744,246
<b>Current assets</b>					
Debtors and prepayments	8	581		-	
Investments	9	49,086		49,086	
Cash at bank and in hand		116,511		102,178	
		<u>166,178</u>		<u>151,264</u>	
<b>Creditors:</b>					
Amounts falling due within one year	10	(9,852)		(11,774)	
<b>Net current assets</b>			156,326		139,490
<b>Total assets less current liabilities</b>			<u>890,566</u>		<u>883,736</u>
<b>Financed by</b>					
Designated reserve	12		16,000		16,400
Charitable reserve - financing capital expenditure					
Revenue reserve	12		874,566		867,336
			<u>890,566</u>		<u>883,736</u>

The financial statements were approved by the board on 28 February 2005 and signed on its behalf by:



W H Nicholls  
Director



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

**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2004**

**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 2004**

**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**

	2004 £	2003 £
<b>Employee costs:</b>		
Salaries and wages	92,395	89,827
	<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.**

	2004 £	2003 £
Expenses paid to officers of the society who were not employees	445	671

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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## NOTES ON FINANCIAL STATEMENTS

<b>5</b>	<b>Operating surplus / (deficit)</b>	<b>2004</b>	<b>2003</b>
		<b>£</b>	<b>£</b>
	The operating surplus / (deficit) is stated after charging:-		
	Depreciation - owned assets	18,148	18,885
	Auditors' fee	1,590	1,590
	Directors' emoluments	-	-

	2004	2003
6 Interest receivable and other income	£	£
Donations received	14,677	7,490
Listed investment income - gross	4,204	4,204
Bank and short term deposit interest - gross	1,497	1,193
	<u>20,378</u>	<u>12,887</u>

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2004**

**7 Tangible fixed assets**

	Housing properties	Fixtures fitting and equipment	Total
	£	£	£
<b>Cost - completed schemes</b>			
At 30 September 2003	942,525	45,308	987,833
Additions	8,267	275	8,542
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 September 2004	<u>950,792</u>	<u>45,583</u>	<u>996,375</u>
 <b>Social Housing Grant</b>			
At 30 September 2003	60,000	-	60,000
Received in year	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 September 2004	<u>60,000</u>	<u>-</u>	<u>60,000</u>
 <b>Depreciation</b>			
At 30 September 2003	150,740	32,847	183,587
Charged in year	16,001	2,547	18,548
Released in year	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 September 2004	<u>166,741</u>	<u>35,394</u>	<u>202,135</u>
 <b>Net book amount</b>			
At 30 September 2004	<u>724,051</u>	<u>10,189</u>	<u>734,240</u>
At 30 September 2003	<u>731,785</u>	<u>12,461</u>	<u>744,246</u>

	2004 £	2003 £
<b>8 Debtors</b>		
Other debtors	581	-
Tax repayable	-	-
	<hr/>	<hr/>
	<u>581</u>	<u>-</u>

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2004**

	2004 £	2003 £
<b>9 Current asset investments</b>		
<b>Listed investments</b>		
At cost	49,086	49,086
At market value	54,311	56,734
<b>10 Creditors: amounts falling due within one year</b>	2004 £	2003 £
Accruals	9,852	11,774
	9,852	11,774
<b>11 Called up share capital</b>	2004 Number	2003 Number
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	6	6
<b>12 Reserves</b>	Income and Expenditure Account £	Charitable reserve financing capital expenditure £
At 30 September 2003	867,336	16,400
Depreciation on assets added back	-	(400)
Surplus / (deficit) for year	7,230	-
At 30 September 2004	874,566	16,000

**THE ABBEYFIELD OXTON AND PRENTON SOCIETY LIMITED**  
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**NOTES ON FINANCIAL STATEMENTS**  
**30 September 2004**

**13 Housing stock**

	<b>Units under development</b>		<b>Units in management</b>	
	2004	2003	2004	2003
Hostel accommodation				
- Number of bed spaces				
2 Gerald Road	-	-	9	9
65 Prenton Road West	-	-	12	12
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**14 Capital commitments**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
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 2004

	2004 £	2003 £
<b>Income</b>		
Residents' charges	196,566	191,100
Losses arising from vacancies and absences	(28,888)	(10,840)
	<u>167,678</u>	<u>180,260</u>
<b>Turnover - Net income from residents' charges</b>		
	<u>167,678</u>	<u>180,260</u>
<b>Expenditure</b>		
<b>Management expenses</b>		
Insurance	2,343	2,055
Telephone - administration	131	127
Membership fee - The Abbeyfield Society	5,647	5,985
Auditors' remuneration	1,586	1,886
Administration salaries	6,434	6,244
Stationery and postage	676	1,180
Bank charges	15	17
Travel	1,083	1,249
Conferences and training	167	252
Advertising	540	707
	<u>18,622</u>	<u>19,702</u>
<b>Repairs and maintenance</b>		
Day to day repairs	14,682	31,738
	<u>14,682</u>	<u>31,738</u>
<b>Service costs</b>		
Care and catering		
Employee costs	92,395	89,827
Food costs and cleaning materials	19,217	20,191
Window cleaning	1,255	1,185
Garden maintenance	1,355	1,835
Council tax / rates	1,849	1,775
Water rates	2,191	2,547
Heating and lighting	9,513	8,204
Telephone	813	633
Sundry expenses	786	906
Depreciation		
Fixtures, fittings and equipment	2,547	3,116
Buildings	15,601	15,769
	<u>147,522</u>	<u>145,988</u>
<b>Operating costs</b>	<u>180,826</u>	<u>197,428</u>
<b>Hostel property revenue</b>		
Operating surplus / (deficit)	<u>(13,148)</u>	<u>(17,168)</u>