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THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

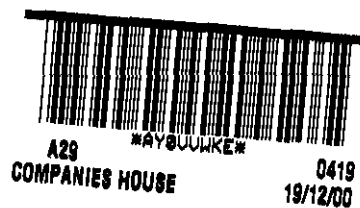
FINANCIAL STATEMENTS FOR THE YEAR ENDED

30 SEPTEMBER 2000

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THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

OFFICERS, PROFESSIONAL ADVISERS AND REGISTERED OFFICE

AS AT 30 SEPTEMBER 2000

EXECUTIVE COMMITTEE

Dr R B Malcolm
Mr P Shefferd
Mr P Butson
Mrs I Welch
Mrs B Copland
Mr C White (Appointed 15/05/00)
Mr A Buckingham

Mrs E Dudley (Resigned 29/11/99)
Mrs E Maeer
Mrs A Burrough
Mrs G Morrison
Mrs C Buckingham
Mrs J Johnston
Mrs L White (Appointed 15/05/00)

SECRETARY

Mrs A Burrough

AUDITORS

Thomas Westcott & Gillard
Trinity Square
AXMINSTER
Devon

BANKERS

H S B C

SOLICITORS

Beviss & Beckingsale

REGISTERED OFFICE

Silver Street
AXMINSTER
Devon

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

COMPANY NO: 735916

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee submits its annual Report, together with the audited Financial Statements for the year ended 30 September 2000.

1. PRINCIPAL ACTIVITY

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

2. STATUS

The Society is a company limited by guarantee registered in England under the Companies Act 1948, number 735916 and registered as a charity, number 214467.

The Society is registered with the Housing Corporation as a Registered Social Landlord (number H3982).

3. REVIEW OF BUSINESS AND RESULTS DURING THE YEAR

The financial results for the year are set out in the Income and Expenditure Account on page 7 and the position at the end of the year is shown in the Balance Sheet on page 8. The detailed Property Revenue Account is presented on page 16.

4. FIXED ASSETS

Details of cost and depreciation of fixed assets are set out in Notes 3, 4 and 5.

The Executive Committee is of the opinion that there is no significant difference between the book cost and the market value for the existing use of the land and buildings.

5. SHARES

As the Society is a company limited by guarantee no shares are issued.

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

COMPANY NO: 735916

REPORT OF THE EXECUTIVE COMMITTEE continued

6. EXECUTIVE COMMITTEE

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

Dr R B Malcolm	Mrs E Dudley (Resigned 29/11/99)
Mr P Shefferd	Mrs E Maeer
Mr P Butson	Mrs A Burrough
Mrs I Welch	Mrs G Morrison
Mrs B Copland	Mrs C Buckingham
Mr C White (Appointed 15/05/00)	Mrs J Johnston
Mr A Buckingham	Mrs L White (Appointed 15/05/00)

In accordance with the Articles of Association of the Society, one third of the Executive Committee shall retire by rotation and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting to be held in 2000.

7. AUDITORS

A resolution for the re-appointment of Thomas Westcott & Gillard as Auditors will be proposed at the forthcoming Annual General Meeting.

On behalf of the Executive Committee

..... *M. A. Burrough* Mrs A Burrough, *Secretary*

..... *6/11/00* Dated

AUDITORS REPORT
TO THE MEMBERS OF
THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

We have audited the Financial Statements on pages 7 to 15, which have been prepared under the accounting policies set out on pages 9, 10 and 11.

RESPECTIVE RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE AND AUDITORS

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 Society and of the surplus or deficit for that period. In preparing those Financial Statements the Executive Committee is required to:

- I. select suitable accounting policies and then apply them consistently;
- II. make judgements and estimates that are reasonable and prudent;
- III. state whether applicable accounting standards have been followed;
- IV. state whether applicable statements of recommended practice have been followed; **and**
- V. prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Society 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 Society and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. 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. 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 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 other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

AUDITORS REPORT continued

TO THE MEMBERS OF

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

OPINION

In our opinion, the Financial Statements give a true and fair view of the state of affairs of the Society at 30 September 2000 and of its deficit for the year then ended, and have been properly prepared in accordance with the provisions of the Companies Act 1985, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997, as amended.

Thomas Westcott & Gillard

Thomas Westcott & Gillard
Chartered Accountants & Registered Auditors
Trinity Square
AXMINSTER
Devon EX13 5AN

Dated: 7-11-00

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2000

	<u>Note</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
<u>TURNOVER</u>	2.3	42561	43781
Operating Costs	Page 16	(42995)	(37735)
OPERATING (DEFICIT)/SURPLUS		(434)	6046
Interest Receivable and Other Similar Income	15	993	681
Interest Payable and Similar Charges	16	(661)	(923)
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES FOR THE YEAR		(102)	5804
Income and Expenditure Balance – B/F		73100	71296
Transfers to Designated Reserves		(4000)	(4000)
Transfers from Designated Reserves		—	—
<u>INCOME AND EXPENDITURE BALANCE – C/F</u>	10	68998	73100

The Society's only activity is the provision of very sheltered housing.

No operations have been discontinued or acquired during the year and the amounts above relate entirely to continuing operations.

The Society has no recognised gains or losses, other than those included in the surpluses above, and therefore no separate statement of total recognised gains and losses has been presented.

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

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2000

	<u>Note</u>	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
<u>TANGIBLE FIXED ASSETS</u>			
<u>HOUSING PROPERTIES</u>			
Cost	3	262207	262207
Less Social Housing Grant		(184691)	(184691)
		77516	77516
<u>OTHER TANGIBLE FIXED ASSETS</u>			
Fixtures, Fittings and Equipment	4	11267	12329
Soft and Loose Furnishings	5	<u>252</u>	<u>252</u>
		89035	90097
		-----	-----
<u>CURRENT ASSETS</u>			
Debtors and Prepayments	6	1329	612
Cash at Bank and in Hand		<u>5564</u>	<u>12066</u>
		6893	12678
<u>CURRENT LIABILITIES</u>			
CREDITORS: Amounts falling due within one year	7	<u>3586</u>	<u>2992</u>
NET CURRENT ASSETS		<u>3307</u>	<u>9686</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		92342	99783
		-----	-----
<u>FINANCED BY</u>			
CREDITORS: Amounts falling due after more than one year			
Housing Property Finance:			
Building Society Loan	8	4446	11785
Reserves:			
Designated Reserves:			
Fixed Assets Replacement Reserve	10	6000	5000
Future Cyclical Repairs Reserve	10	8898	6898
Major Repairs Reserve	10	4000	3000
Income and Expenditure:			
Accumulated Surplus	10	<u>68998</u>	<u>73100</u>
		92342	99783
		-----	-----

The Financial Statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997, as amended.

The accounts were approved by the Executive Committee and signed on its behalf on 6/11/00 by:

..... *R.3 [Signature]* **Chairman**

..... *[Signature]* **Committee Member**

..... *A. Burroughs* **Secretary**

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2000

1. STATUS OF SOCIETY

The Society is a company limited by guarantee registered in England under the Companies Act 1948, number 735916, and registered as a charity, number 214467. The company is registered with the Housing Corporation, number H3982.

The Society is wholly engaged in very sheltered housing activities, falling within the provisions of the Housing Act 1996.

2. ACCOUNTING POLICIES

2.1 General

The principal accounting policies of the Society are set out in the following subparagraphs.

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 Accounting Requirements for Registered Social Landlords General Determination 1997, as amended.

2.3 Turnover

Turnover comprises rental and service income receivable.

2.4 Fixed Assets: Freehold Housing Land and Buildings

Housing land and buildings are stated at cost. The cost of properties is their purchase price and that of improvements and extension, 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.

2.5 Depreciation

2.5.1 Freehold Housing Land and Buildings

No depreciation is charged on the Land. The Buildings are maintained in a state of repair such that their estimated residual value at the date of the Balance Sheet is not less than their cost less Social Housing Grant: an annual charge for depreciation therefore would be immaterial.

2.5.2 Fixtures and Fittings and Equipment

Depreciation is charged on the written down value at 10% per annum.

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 30 SEPTEMBER 2000

2.5.3 General

A full years depreciation is charged on fixed assets in the year that the asset is brought into use and no charge is made in the year of disposal.

2.5.4 Soft and Loose Furnishings

Replacements are charged to the Income and Expenditure Account. Proceeds of disposal are credited to the Income and Expenditure Account.

2.6 Housing Association Grant

Where expenditure on fixed assets has been financed wholly, or partly, by Housing Association Grant (HAG) the net book value of that expenditure has been reduced by the amount of the grant received, which is shown separately in the Balance Sheet.

2.7 Fixtures, Fittings and Equipment

Assets donated to the Society are not included in the Balance Sheet; other assets are included at cost.

2.8 Fixed Assets Replacement Reserve

An amount has been carried to a Designated Reserve to provide for the future replacement of the larger items of equipment which form part of the cost of the building and for which HAG will not be claimed.

2.9 Future Cyclical and Major Repairs

The Society manages only very sheltered housing and thus there is no contribution from Rent Surplus Fund to Major Repairs.

It is the Executive Committee's opinion that amounts will be required for future Cyclical and Major Repairs in the medium and long term and therefore amounts have been carried forward to Designated Reserves.

The amount so set aside are based on the Society's obligation to carry out such works on a continuing basis for the future cyclical maintenance and major repairs of its property, based on planned programmes of works for which HAG will not be claimed.

2.10 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.

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 30 SEPTEMBER 2000

2.11 Monetary Donations and General Charitable Reserve

Monetary Donations to the Society are credited to Income on a receipts basis and are available for transfer to the General Charitable Reserve.

2.12 Corporation Tax and VAT

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

The Society has never registered for VAT. No VAT is charged to residents and expenditure in the Income and Expenditure Account includes VAT.

2.13 Pensions

During the year the Society paid into an employees personal pension plan, at a rate equivalent to 5% of gross salary.

3 HOUSING LAND AND BUILDINGS

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
SHG Assisted Scheme Freehold		
Cost at 30 September 1999 and 2000	<u>262207</u>	<u>262207</u>
SHG at 30 September 1999 and 2000	<u>184691</u>	<u>184691</u>

4 FIXTURES, FITTINGS AND EQUIPMENT

Cost at 1 October 1999	21498	18640
Additions during the year	190	2903
Disposals	--	45
At 30 September 2000	<u>21688</u>	<u>21498</u>
	-----	-----
Depreciation at 1 October 1999	9169	7799
Charge for the year	<u>1252</u>	<u>1370</u>
At 30 September 2000	<u>10421</u>	<u>9169</u>
N B V at 30 September 2000	<u>11267</u>	<u>12329</u>
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THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 30 SEPTEMBER 2000

5 SOFT AND LOOSE FURNISHINGS

Cost at 30 September 2000 and 30 September 1999 252

—

6 DEBTORS AND PREPAYMENT DUE WITHIN ONE YEAR

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Residents Fees	1083	371
Insurance	<u>246</u>	<u>241</u>
	1329	612
	—	—

7 CREDITORS AND ACCRUALS DUE WITHIN ONE YEAR

Audit	558	540
Accountancy	435	420
Repairs	530	—
Wages and Deductions	415	513
Food and Household Costs	248	119
Loan Repayment	<u>1400</u>	<u>1400</u>
	3586	2992
	—	—

8 CREDITORS: Amounts falling due after more than one year

Housing Property Finance

An Abbey National Building Society loan is secured on the Society's House. The loan is fully repayable in 2021: interest is charged at 6.29%. Instalments are due as follows:

In one year or less	1400	1400
	—	—
Between one and two years	1400	1400
Between two and five years	3046	4200
In five years or more	<u>—</u>	<u>6185</u>
Amount falling due after more than one year	4446	11785
	—	—

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 30 SEPTEMBER 2000

9 **MEMBERS**

There is no issued nor authorised Share Capital as the Society is a company limited by guarantee.

10 **RESERVES**

	<u>Income and Expenditure Account</u>	<u>Fixed Assets Replacement Reserve</u>	<u>Future Cyclical Repairs Reserve</u>	<u>Major Repairs Reserve</u>
		<u>(Note 2.8)</u>	<u>(Note 2.9)</u>	<u>(Note 2.9)</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At 30/9/99	73100	5000	6898	3000
Deficit for year	(102)			
Transfers	<u>(4000)</u>	<u>1000</u>	<u>2000</u>	<u>1000</u>
At 30/9/00	68998	6000	8898	4000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

11 **CAPITAL COMMITMENTS**

	<u>2000</u>	<u>1999</u>
Expenditure Contracted	--	--
Expenditure Authorised but not Contracted	<u>--</u>	<u>--</u>
	<u> </u>	<u> </u>

12 **CONTINGENT LIABILITIES**

Contingent Liabilities amounted to	<u>NIL</u>	<u>NIL</u>
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THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 30 SEPTEMBER 2000

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EMPLOYEES

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Employee Costs:		
Salaries and Wages	17503	13757
Social Security	529	377
Other Pension Costs	<u>300</u>	<u>300</u>
	18332	14434
	<u> </u>	<u> </u>

The average weekly number of employees expressed
in full-time equivalents

	<u>Number</u>	<u>Number</u>
	<u>2000</u>	<u>1999</u>
Hostel Staff	2	2
	<u> </u>	<u> </u>

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**PAYMENTS TO MEMBERS, COMMITTEE MEMBERS, OFFICERS,
SENIOR EXECUTIVE**

Fees, remuneration or expenses payable to members of the Society who were neither members of the Committee of Management, nor employees of the Society	NIL	NIL
	<u> </u>	<u> </u>
Fees, remuneration or expenses payable to members of the Committee of Management of the Society who were neither officers nor employees of the Society	NIL	NIL
	<u> </u>	<u> </u>
Fees, remuneration or expenses paid to officers of the Society who were not employees.	NIL	NIL
	<u> </u>	<u> </u>
Payments or gifts made, or benefits, granted to the persons referred to in Sections 13 and 15 of the Housing Associations Act 1985	NIL	NIL
	<u> </u>	<u> </u>

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 30 SEPTEMBER 2000

15	<u>INTEREST RECEIVABLE AND SIMILAR INCOME</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
	Donations Received	851	375
	Bank and Short Term Deposit Interest – gross	<u>142</u>	<u>306</u>
		993	681
		—	—
16	<u>INTEREST PAYABLE AND SIMILAR CHARGES</u>		
	Long Term Interest	661	923
		—	—
17	<u>HOUSING STOCK</u>		
		<u>Units under</u>	<u>Units in</u>
		<u>Development</u>	<u>Management</u>
		<u>2000</u>	<u>1999</u>
		<u>2000</u>	<u>1999</u>
	Hostel Accommodation:		
	Number of Bed Spaces	NIL	NIL
		—	—
		8	8
		—	—

THE ABBEYFIELD AXMINSTER SOCIETY LIMITED

DETAILED HOSTEL PROPERTY REVENUE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2000

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>INCOME</u>		
Residents' Charges	46080	45444
Losses arising from Vacancies and Absences	<u>(3519)</u>	<u>(1663)</u>
Turnover: Net Income from Residents' Charges	42561	43781
	-----	-----
<u>EXPENDITURE</u>		
<u>Management Expenses:</u>		
Insurance	981	944
Telephone	738	744
Membership Fee: The Abbeyfield Society	1294	1500
Audit	561	542
Accountancy	436	422
Stationery and Postage	82	176
Bank Charges	38	36
Conferences and Training	--	45
Other Expenditure	<u>425</u>	<u>492</u>
	4555	4901
	-----	-----
<u>Repairs and Maintenance:</u>		
Day to Day Repairs	5274	2312
	-----	-----
<u>Service Costs:</u>		
<u>Care and Catering:</u>		
Employee Costs	18332	14434
Food Costs and Cleaning Materials	8636	9482
Garden Maintenance	88	300
Council Tax	730	686
Water Rates	1177	1171
Heating and Lighting	2951	3079
<u>Depreciation:</u>		
Fixtures, Fittings and Equipment	<u>1252</u>	<u>1370</u>
	33166	30522
	-----	-----
Operating Costs	42995	37735
	-----	-----
<u>HOSTEL PROPERTY REVENUE OPERATING (DEFICIT)/</u>		
<u>SURPLUS</u>	(434)	6046
	-----	-----