

Registered number: 00940932
Charity number: 258238

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2006

TUESDAY



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THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

Trustees

G. Allen
J. L. Brame
J. K. Norbury
R. E. McCotter
J. R. Perrin

Company registered number

00940932

Charity registered number

258238

Registered office

17 Birmingham Road
Kidderminster
Worcestershire
DY10 2BX

Company secretary

G. Allen

Accountants

Horwath Clark Whitehill LLP
Chartered Accountants
Foley House
123 Stourport Road
Kidderminster
Worcestershire
DY11 7BW

Bankers

Barclays Bank PLC
66 Oxford Street
Kidderminster
Worcestershire
DY10 1BL

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2006

The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the financial statements of The Abbeyfield Kidderminster Society (the charity) for the year ended 30 September 2006. The reference and administrative details set out on page 1 forms part of this report. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 21/10/1968.

The charity is constituted under a Memorandum of Association dated 21/10/1968 and is a registered charity number 258238.

b. Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. One trustee retires each year, by rotation, but may be re-elected.

c. Organisational structure and decision making

A voluntary management committee (comprising chairman, vice-chairman, secretary, treasurer and trustees) is responsible for the running of the Society. The management committee delegates the financial management, budgetary and cash control to the treasurer (a trustee) and the operational management to the administrator (appointed by the trustees), both of whom are supported by other committee members and trustees.

d. Related party relationships

The charity is affiliated to The Abbeyfield Society.

e. Risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to such risks.

Objectives and Activities

a. Policies and objectives

The charity's objectives and policies are:

- (1) To provide care in housing and support for older people who no longer choose to live alone.
- (2) To ensure that Abbeyfield House is a focal point for goodwill and neighbourliness.

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2006

b. Activities for achieving objectives

The society provides a unique blend of housing with care which gives importance to the independence of residents - through practical involvement in the life of their community and through independence over decisions affecting their lives. This Abbeyfield House offers very sheltered accommodation for up to nine residents.

The Society exists to provide very sheltered accommodation for Kidderminster and the Wyre Forest area for older and frail people. It offers en-suite rooms and the residents are provided with a cooked mid-day meal and lighter evening meal. They prepare their own breakfasts. All rooms have fitted carpets and curtains and the building is centrally heated. There are three employees plus relief staff. The running costs of the establishment are met by the fees payable by the residents.

There have been no changes in the objectives since the last annual report.

Achievements and performance

a. Review of activities

Throughout the year the Society has achieved a high level of room occupancy and our staff have been working to full capacity.

Considerable management time and effort have been directed to the work of achieving the Abbeyfield Standard. This is a nationally recognised performance standard to which Abbeyfield Societies aim to reach and which embraces all our main operating activities. We have successfully completed all sections of the Abbeyfield Standard and our thanks and appreciation go to the Administrator and Committee members who have brought this about.

We are also able to report the society's continued close working relationship with the Supporting People Team.

A full schedule of maintenance of the building has been accomplished.

The regular weekly interest mornings have continued with many visitors being welcomed to Abbeyfield.

Financial review

a. Reserves policy

In order to maintain an adequate level of free Reserves to cover the loss of residential fee income that might occur during periods when rooms are vacant, and also to cover unforeseen costs, the Trustees aim to achieve and maintain liquid assets (represented by net assets other than tangible fixed assets) equivalent to 8 months residential fee income.

b. Review for year

The financial results again show a modest surplus helped by the high room occupancy rate. This reflects the intention of the Trustees to ensure that there are sufficient accumulated reserves to enable unforeseen costs to be met and the security of the home to be safeguarded.

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2006

Plans for the future

a. Future developments

A modest increase in residents' fees, comparable with the level of inflation, will be implemented from 1 March 2007 in order to produce an adequate surplus in the year ahead.

Funds held as custodian

Note 14 sets out an analysis attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice applicable to smaller charities.

Company and charity law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements the Trustees have:

- selected suitable accounting policies and applied them consistently
- made judgments and estimates that are reasonable and prudent
- prepared the financial statements on the going concern basis (unless it is inappropriate to presume that the charity will continue in operation)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

The report of the Trustees has been prepared in accordance with the special provisions of part VII of the companies act 1985 relating to small companies.

This report was approved by the Trustees on 12 February 2007 and signed on its behalf, by:

J. L. Brame
Chairman



THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

**AUDIT EXEMPTION REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

ACCOUNTANT'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF THE ABBEYFIELD KIDDERMINSTER SOCIETY

We report on the accounts for the year ended 30 September 2006 set out on pages 6 to 14.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND REPORTING ACCOUNTANTS

As described on page 2 the Trustees, who are also directors of the charity for the purposes of the Companies Act, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurances expressed in our opinion.

OPINION

In our opinion:

- a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985, as amended;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in the Statement of Recommended Practice, Accounting and Reporting by Charities, and in section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Signed:

Handwritten signature: Harold A. Whitehill

Dated:

Handwritten date: 12 February 2007

Horwath Clark Whitehill LLP
Chartered Accountants
Foley House
123 Stourport Road
Kidderminster
Worcestershire
DY11 7BW

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 30 SEPTEMBER 2006

	Note	Unrestricted Funds 2006 £	Total Funds 2005 £
INCOMING RESOURCES			
Incoming resources from generated funds:			
Donations, legacies and similar incoming resources	2	-	2,000
Investment income	3	2,431	2,355
Incoming resources from charitable activities - residential care	4	70,798	60,932
		<u>73,229</u>	<u>65,287</u>
TOTAL INCOMING RESOURCES			
RESOURCES EXPENDED			
Charitable activities - residential care		59,124	56,505
Governance costs	5	3,372	3,394
		<u>62,496</u>	<u>59,899</u>
TOTAL RESOURCES EXPENDED			
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME FOR THE YEAR		10,733	5,388
<i>Total funds at 1 October 2005</i>		<u>336,256</u>	<u>330,868</u>
TOTAL FUNDS AT 30 SEPTEMBER 2006		<u>346,989</u>	<u>336,256</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 14 form part of these financial statements.

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

BALANCE SHEET
AS AT 30 SEPTEMBER 2006

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Tangible fixed assets	11		284,020		278,069
CURRENT ASSETS					
Debtors	12	791		675	
Cash at bank		65,465		60,436	
			66,256	61,111	
CREDITORS: amounts falling due within one year	13	(3,287)		(2,924)	
NET CURRENT ASSETS			62,969		58,187
TOTAL ASSETS LESS CURRENT LIABILITIES			346,989		336,256
CHARITY FUNDS					
Unrestricted funds	14		346,989		336,256
			346,989		336,256

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 September 2006 and of its profit for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Trustees on 12 February 2007 and signed on their behalf, by:

J. L. Brame
Chairman



The notes on pages 8 to 14 form part of these financial statements.

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies entitlement is considered established once the Charity has been notified of an impending distribution.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and liabilities are recognised where there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Charitable activities include costs of services, support costs and depreciation on related assets. Governance costs are those associated with constitutional and statutory requirements.

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

No depreciation is provided in respect of freehold land and buildings. Where buildings are maintained to such a standard that their residual value is not less than their cost or valuation, depreciation is not material.

The freehold land and buildings are carried at valuation. In accordance with Financial Reporting Standard 15 such valuations are updated every 5 years.

Fixed assets are reviewed annually by the directors for impairment.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	0%	straight line
Furniture and Fixtures	-	15%	straight line

2. DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

	Unrestricted Funds 2006 £	<i>Total Funds 2005 £</i>
Legacies	-	2,000

3. INVESTMENT INCOME

	Unrestricted Funds 2006 £	<i>Total Funds 2005 £</i>
Interest received	2,431	2,355

4. ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	Unrestricted Funds 2006 £	<i>Total Funds 2005 £</i>
Residential fees	70,798	60,932

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

5. GOVERNANCE COSTS

	Unrestricted Funds 2006 £	Total Funds 2005 £
Accountants fees	1,149	898
Travelling expenses	150	427
Surveyors fees	-	59
Affiliation fees	2,043	1,980
Legal fees	30	30
	<u>3,372</u>	<u>3,394</u>

6. DIRECT COSTS

	Residential care £	Total 2006 £	Total 2005 £
Food and housekeeping	9,451	9,451	7,848
Insurance	951	951	910
Repairs and renewals - internal	2,397	2,397	2,553
Service fees	649	649	893
Staff welfare and leisure	404	404	339
Gardening and cleaning windows	636	636	618
Council tax and water	1,197	1,197	1,138
Residents' alarms	445	445	520
Light and heat	5,962	5,962	4,929
Refurbishment of building	771	771	775
Wages and salaries	29,776	29,776	28,773
Depreciation	1,698	1,698	1,755
	<u>54,337</u>	<u>54,337</u>	<u>51,051</u>

7. SUPPORT COSTS

	Residential care £	Total 2006 £	Total 2005 £
Telephone, postage and office supplies	649	649	833
Advertising	472	472	1,319
Sundries and TV licence	286	286	321
Administrative assistance	3,380	3,380	2,981
	<u>4,787</u>	<u>4,787</u>	<u>5,454</u>

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2006 £	Depreciation 2006 £	Other costs 2006 £	Total 2006 £	Total 2005 £
Residential care	29,776	1,698	27,650	59,124	56,505
Governance	-	-	3,372	3,372	3,394
	<u>29,776</u>	<u>1,698</u>	<u>31,022</u>	<u>62,496</u>	<u>59,899</u>

Other costs include support costs of £4,787.

9. NET INCOME

This is stated after charging:

	2006 £	2005 £
Depreciation of tangible fixed assets:		
- owned by the charity	1,698	1,755
Accountants independent examination	<u>1,149</u>	<u>898</u>

During the year, no Trustees received any remuneration (2005 - £NIL).
During the year, no Trustees received any benefits in kind (2005 - £NIL).
Mr J. K. Norbury received £151 of reimbursed expenses (2005 - £165).
Mr R. Perrin received £15 of reimbursed expenses (2005 - £NIL)

10. STAFF COSTS

Staff costs were as follows:

	£	£
Wages and salaries	<u>29,776</u>	<u>28,773</u>

The average monthly number of during the year was as follows:

	No.	No.
Carers	<u>3</u>	<u>3</u>

No employee received remuneration amounting to more than £60,000 in either year.

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

11. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 October 2005	275,000	18,962	293,962
Additions	1,140	6,509	7,649
Disposals	-	(2,069)	(2,069)
	<u>276,140</u>	<u>23,402</u>	<u>299,542</u>
At 30 September 2006			
Depreciation			
At 1 October 2005	-	15,893	15,893
Charge for the year	-	1,698	1,698
On disposals	-	(2,069)	(2,069)
	<u>-</u>	<u>15,522</u>	<u>15,522</u>
At 30 September 2006			
Net book value			
At 30 September 2006	<u>276,140</u>	<u>7,880</u>	<u>284,020</u>
At 30 September 2005	<u>275,000</u>	<u>3,069</u>	<u>278,069</u>

Cost or valuation at 30 September 2006 is as follows:

	Land and buildings £
At cost	86,866
At valuation:	
November 2004 on the basis of present market value	<u>189,274</u>
	<u>276,140</u>

Freehold land and buildings are stated at a valuation made by Phipps & Pritchard in November 2004 on the basis of present day market value. The revaluation produced a surplus of £33,622. The next valuation will be carried out on 30 September 2009.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

11. TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

Depreciation is not provided as the trustees are of the opinion that the buildings are well maintained and any such charge would not be material.

	2006 £	2005 £
Cost	86,866	85,726
Accumulated depreciation	-	-
Net book value	<u>86,866</u>	<u>85,726</u>

12. DEBTORS

	2006 £	2005 £
Other debtors	<u>791</u>	<u>675</u>

**13. CREDITORS:
Amounts falling due within one year**

	2006 £	2005 £
Social security and other taxes	900	262
Other creditors	2,387	2,662
	<u>3,287</u>	<u>2,924</u>

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Funds	<u>336,256</u>	<u>73,229</u>	<u>(62,496)</u>	<u>346,989</u>

THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2006**

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General Funds	<u>336,256</u>	<u>73,229</u>	<u>(62,496)</u>	<u>346,989</u>

15. CAPITAL COMMITMENTS

At 30 September 2006 the charity had capital commitments as follows:

	2006 £	2005 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>3,500</u>

16. TAXATION

In the opinion of the trustees, all income of the charity is outside the scope of income tax and corporation tax.