

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

**UNAUDITED**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2008**



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

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**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**Trustees**

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**

J. L. Brame

**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

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**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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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 2008. 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 and is constituted under a Memorandum of Association dated 21 October 1968.

**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 manage 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.

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**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**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 satisfactory level of room occupancy and our staff have been working to full capacity.

The Society continues to operate to all the principles set out in the Abbeyfield Standard.

We are 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.

The Trustees were pleased to accept a cash gift of £2,995 from an anonymous donor which was fully utilised in the purchase and installation of a sun blind.

**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 satisfactory 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.

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**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**Plans for the future**

**a. FUTURE DEVELOPMENTS**

A modest increase in fees of 5.5% will be implemented in March 2009 in line with that recommended by the national Abbeyfield Society. This should ensure that anticipated cost increases in the year ahead are absorbed satisfactorily. The Trustees will continue in their efforts to recruit new residents with the view to ensuring that the Home continues to have a satisfactory level of occupancy.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the Trustees are 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 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 prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 23/2/09 and signed on its behalf, by:



J. L. Brame

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**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**AUDIT EXEMPTION REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**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 2008 set out on pages 6 to 14.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND REPORTING ACCOUNTANTS**

As described on page 4 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 charity is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

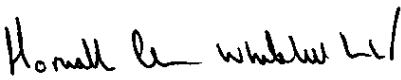
**BASIS OF OPINION**

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 charity, and making such limited enquiries of the officers of the charity 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 charity 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 charity 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: 

Dated: 23 February 2009

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

**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account)  
FOR THE YEAR ENDED 30 SEPTEMBER 2008

	Note	Unrestricted Funds 2008 £	Total Funds 2007 £
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Donations, legacies and similar incoming resources	2	2,995	-
Investment income	3	3,314	3,154
Incoming resources from charitable activities	4	74,569	72,570
<b>TOTAL INCOMING RESOURCES</b>		<b>80,878</b>	<b>75,724</b>
<b>RESOURCES EXPENDED</b>			
Charitable activities - residential care	9	76,683	66,106
Governance costs	5	2,634	8,060
<b>TOTAL RESOURCES EXPENDED</b>	8	<b>79,317</b>	<b>74,166</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME FOR THE YEAR</b>		<b>1,561</b>	<b>1,558</b>
<i>Total funds at 1 October 2007</i>		<i>348,547</i>	<i>346,989</i>
<b>TOTAL FUNDS AT 30 SEPTEMBER 2008</b>		<b>350,108</b>	<b>348,547</b>

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.



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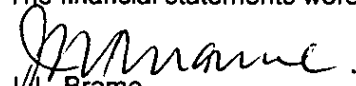
**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2008**

	Note	2008 £	2007 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	12	288,690	283,584
<b>CURRENT ASSETS</b>			
Debtors	13	3,894	1,470
Cash at bank		59,924	69,347
		<u>63,818</u>	<u>70,817</u>
<b>CREDITORS:</b> amounts falling due within one year	14	<u>(2,400)</u>	<u>(5,854)</u>
<b>NET CURRENT ASSETS</b>		<u>61,418</u>	<u>64,963</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>350,108</u></u>	<u><u>348,547</u></u>
<b>CHARITY FUNDS</b>			
Unrestricted funds	15	<u>350,108</u>	<u>348,547</u>
		<u><u>350,108</u></u>	<u><u>348,547</u></u>

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 249A(2) 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 charity 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 charity as at 30 September 2008 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 charity.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charities and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Trustees on 28/2/09 and signed on their behalf, by:

  
J/L. Brame  
Chairman

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

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**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**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.

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 has been 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**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**

	<b>Unrestricted Funds 2008 £</b>	<i>Total Funds 2007 £</i>
Donations	<b>2,995</b>	-

**3. INVESTMENT INCOME**

	<b>Unrestricted Funds 2008 £</b>	<i>Total Funds 2007 £</i>
Interest received	<b>3,314</b>	3,154

**4. ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS**

	<b>Unrestricted Funds 2008 £</b>	<i>Total Funds 2007 £</i>
Residential fees	<b>74,569</b>	72,570

**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**5. GOVERNANCE COSTS**

	Unrestricted Funds 2008 £	Total Funds 2007 £
Accountants' fees	1,121	1,128
HM Revenue and Customs penalty	-	4,258
Travelling expenses	158	252
Interest on overdue tax	-	646
Affiliation fees	1,355	1,746
Legal fees	-	30
	<u>2,634</u>	<u>8,060</u>

**6. DIRECT COSTS**

	Residential care £	Total 2008 £	Total 2007 £
Food and housekeeping	9,101	9,101	9,353
Insurance	1,431	1,431	1,137
Repairs and renewals - internal	3,490	3,490	2,754
Service fees	1,541	1,541	520
Staff welfare and leisure	133	133	172
Gardening and cleaning windows	601	601	441
Council tax and water	1,441	1,441	903
Residents' alarms	1,332	1,332	1,167
Light and heat	4,278	4,278	6,520
Refurbishment of building	2,200	2,200	3,951
Wages and salaries	35,893	35,893	30,538
National insurance	1,618	1,618	1,105
Redundancy costs	4,371	4,371	-
Depreciation	2,893	2,893	1,727
	<u>70,323</u>	<u>70,323</u>	<u>60,288</u>

**7. SUPPORT COSTS**

	Residential care £	Total 2008 £	Total 2007 £
Telephone, postage and office supplies	639	639	653
Advertising	1,290	1,290	56
Sundries	291	291	1,039
Administrative assistance	4,140	4,140	4,070
	<u>6,360</u>	<u>6,360</u>	<u>5,818</u>

**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**8. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	<b>Staff costs 2008 £</b>	<b>Depreciation 2008 £</b>	<b>Other costs 2008 £</b>	<b>Total 2008 £</b>	<b>Total 2007 £</b>
Residential care	41,882	2,893	31,908	76,683	66,106
Governance	-	-	2,634	2,634	8,060
	<u>41,882</u>	<u>2,893</u>	<u>34,542</u>	<u>79,317</u>	<u>74,166</u>

**9. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES**

	<b>Activities undertaken directly 2008 £</b>	<b>Support costs 2008 £</b>	<b>Total 2008 £</b>	<b>Total 2007 £</b>
Residential care	70,323	6,360	76,683	66,106

**10. NET INCOME**

This is stated after charging:

	<b>2008 £</b>	<b>2007 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	2,893	1,727
Redundancy costs	4,371	-
Accountants' fees	1,121	1,128

During the year, no Trustees received any remuneration (2007 - £NIL).  
During the year, no Trustees received any benefits in kind (2007 - £NIL).  
Mr J. K. Norbury received £136 of reimbursed expenses (2007 - £122).  
Mr J. L. Brame received £55 of reimbursed expenses. (2007 - £NIL).

**THE ABBEYFIELD KIDDERMINSTER SOCIETY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

**11. STAFF COSTS**

Staff costs were as follows:

	2008 £	2007 £
Wages and salaries	35,893	30,538
National insurance	1,618	1,105
Redundancy costs	4,371	-
	<u>41,882</u>	<u>31,643</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.

**12. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>			
At 1 October 2007	276,140	24,693	300,833
Additions	-	7,999	7,999
	<u>276,140</u>	<u>32,692</u>	<u>308,832</u>
At 30 September 2008			
<b>Depreciation</b>			
At 1 October 2007	-	17,249	17,249
Charge for the year	-	2,893	2,893
	<u>-</u>	<u>20,142</u>	<u>20,142</u>
At 30 September 2008			
<b>Net book value</b>			
At 30 September 2008	<u>276,140</u>	<u>12,550</u>	<u>288,690</u>
At 30 September 2007	<u>276,140</u>	<u>7,444</u>	<u>283,584</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

Cost or valuation at 30 September 2008 is as follows:

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

Freehold land and building are stated at a valuation made by Phipps & Pritchard in November 2004 on the basis of present day market value, this produced a surplus of £33,622. This increased the unrestricted reserves to show a total revaluation of £189,274. The next valuation will be carried out on 30 September 2009.

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.

	<b>2008 £</b>	<b>2007 £</b>
Cost	<b>86,866</b>	<b>86,866</b>
Accumulated depreciation	-	-
Net book value	<b>86,866</b>	<b>86,866</b>

**13. DEBTORS**

	<b>2008 £</b>	<b>2007 £</b>
Other debtors	<b>3,894</b>	<b>1,470</b>

**14. CREDITORS:**

**Amounts falling due within one year**

	<b>2008 £</b>	<b>2007 £</b>
Social security and other taxes	-	<b>713</b>
Other creditors	<b>2,400</b>	<b>5,141</b>
	<b>2,400</b>	<b>5,854</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2008**

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**15. STATEMENT OF FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Carried Forward £</b>
<b>Unrestricted funds</b>				
General Funds	<u>348,547</u>	<u>80,878</u>	<u>(79,317)</u>	<u>350,108</u>

**SUMMARY OF FUNDS**

	<b>Brought Forward £</b>	<b>Incoming resources £</b>	<b>Resources Expended £</b>	<b>Carried Forward £</b>
General funds	<u>348,547</u>	<u>80,878</u>	<u>(79,317)</u>	<u>350,108</u>

**16. TAXATION**

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