

REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 1998
FOR
THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED
A REGISTERED CHARITY LIMITED BY GUARANTEE



THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

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FOR THE YEAR ENDED 30 SEPTEMBER 1998

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THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

COMPANY INFORMATION

FOR THE YEAR ENDED 30 SEPTEMBER 1998

DIRECTORS:	Eila Winifred Bonnett Harold Robert Taylerson William James Bridges Elizabeth Smith David Alan Birtwhistle Patricia Estelle Horriben Stanley Herbert Marshall David Blakeway-Smith James Thorp Rachel Houghton William Ridley
SECRETARY:	William James Bridges
REGISTERED OFFICE:	12 Green Hill London Road Worcester Worcestershire WR5 2AA
REGISTERED NUMBER:	Company 961985 Charity 259776
AUDITORS:	John Yelland and Company Chartered Accountants and Registered Auditors 22 Sansome Walk Worcester WR1 1LS
BANKERS:	Lloyds Bank PLC 4 The Cross Worcester WR1 3PY
SOLICITORS:	Hulme & Co. 6 Pierpoint Street Worcester WR1 1TA

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

The directors present their report with the financial statements of the company for the year ended 30 September 1998.

CONSTITUTION

The Abbeyfield (Worcester) Society Limited was incorporated on 15 September 1969 and is a company limited by guarantee not having a share capital. The company number is 961985. It is also a registered charity number 259776 and a registered housing corporation number H2907.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing bed-sitting room accommodation for the lonely and elderly people in accordance with the aims and principles of The Abbeyfield Society Limited whose patron is HRH The Prince of Wales, KG, KT, GCB. These activities fall wholly within hostel housing activities as defined in the Housing Act 1974. There is bed-sitting room accommodation for nine residents.

The income for the maintenance and staffing of the house is derived from the rents charged to residents. The staff comprises a full time housekeeper, a part-time deputy housekeeper and two part-time cleaners.

REGISTERED OFFICE AND ADVISORS

The registered office is 12 Greenhill, London Road, Worcester, WR5 2AA.

The auditors are John Yelland & Company, 22 Sansome Walk, Worcester, WR1 1LS.

The bankers are Lloyds Bank PLC, 4 The Cross, Worcester, WR1 3PY.

The solicitors are Hulme & Co., 6 Pierpoint Street, Worcester, WR1 1TA.

REVIEW OF BUSINESS

Income for the year showed a small reduction due to increased vacancies and the previous year also included a legacy and Housing Association Grant. Expenses were slightly higher due to the continuing comprehensive programme of repairs. The net result was a small deficit of £2,070 compared with a surplus of £14,370 in the previous year. The net assets were £87,914 (1997 : £89,984) including working capital of £32,734 (1997 : £37,216).

The Charity continued to provide a high quality service to its residents. During the year the Committee arranged for the public areas to be decorated including the hall, staircase, landing, dining room and conservatory and work has been undertaken to improve the standard of all rooms.

YEAR 2000 PROBLEM

The directors have taken action to ensure that the risks arising out of the Year 2000 Problem have been minimised and they consider that the ability of the company to continue as a going concern will not be affected thereby.

DIRECTORS

The directors during the year under review were:

Eila Winifred Bonnett	
Harold Robert Taylerson	
William James Bridges	
Elizabeth Smith	
David Alan Birtwhistle	
Patricia Estelle Horriben	
Stanley Herbert Marshall	
David Blakeway-Smith	- appointed 6.4.98
James Thorp	- appointed 6.4.98
Rachel Houghton	- appointed 6.4.98
William Ridley	- appointed 6.4.98

The company is limited by guarantee and therefore the directors have no beneficial interest to disclose.

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

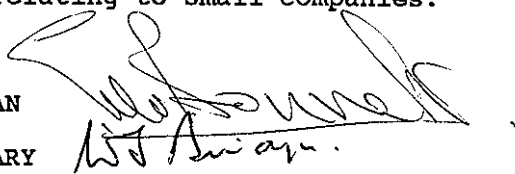
The auditors, John Yelland and Company, will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

Eila Winifred Bonnett - CHAIRMAN

William James Bridges - SECRETARY



Dated: 25 January 1999

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

REPORT OF THE AUDITORS TO THE MEMBERS OF

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

We have audited the financial statements on pages five to ten which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page seven.

Respective responsibilities of directors and auditors

As described on page three the company's directors 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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.

Opinion

In our opinion the financial statements give a true and fair view of the company's affairs at 30 September 1998, and of its net deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, and comply with the Housing Act 1996 and the Accounting Requirements for Registered Social Landlords General Determination 1997 and the Accounting Requirements for Registered Social Landlords (Amending) Determination 1998.



John Yelland and Company
Chartered Accountants and
Registered Auditors
22 Sansome Walk
Worcester WR1 1LS

Dated: 25.1.99

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED
A REGISTERED CHARITY LIMITED BY GUARANTEE
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1998

		1998	1997
	Notes	£	£
TURNOVER	2	46,923	60,714
Cost of Sales		43,752	40,347
GROSS PROFIT		3,171	20,367
Administrative expenses		7,078	7,005
OPERATING (LOSS)/PROFIT	4	(3,907)	13,362
Interest receivable and similar income	5	1,837	1,008
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(2,070)	14,370
Tax on (loss)/profit on ordinary activities	6	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(2,070)	14,370
Retained profit brought forward		89,984	75,614
RETAINED PROFIT CARRIED FORWARD		£87,914	£89,984

The notes form part of these financial statements

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

BALANCE SHEET

30 SEPTEMBER 1998

		1998		1997	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		55,180		52,768
CURRENT ASSETS:					
Stocks		127		305	
Debtors	9	491		619	
Cash at bank and in hand		36,575		39,786	
		37,193		40,710	
LIABILITIES: Amounts falling due within one year	10	4,459		3,494	
NET CURRENT ASSETS:			32,734		37,216
TOTAL ASSETS LESS CURRENT LIABILITIES:			£87,914		£89,984
RESERVES:					
Profit and loss account			87,914		89,984
			£87,914		£89,984

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

ON BEHALF OF THE BOARD:

Eila Winifred Bonnett - DIRECTOR

Harold Robert Taylerson - DIRECTOR

William James Bridges - SECRETARY

Approved by the Board on 25 January 1999



THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and statements of recommended practice.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life. Depreciation is not charged on that proportion of buildings which has qualified for HAG. HAG is effectively recognised as depreciation.

Housing land and buildings - 2% on cost of buildings

Fixtures and Fittings - 15% on reducing balance

Housing land and buildings are stated at cost. The development cost funded with traditional SHG or under earlier funding arrangements included the following:

1. cost of acquiring land and buildings.
2. development expenditure.
3. interest charged on the mortgage loans raised to finance the scheme up to the date of completion.
4. amounts equal to acquisition and development and allowances receivable.

These costs are either termed "qualifying costs" by the Housing Corporation for approved SHG schemes and are considered for mortgage loans by the relevant lending authorities, or are met out of the Society's own reserves. All the assets are used in direct furtherance of the Charity's objects.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. TURNOVER

The turnover and loss (1997 - profit) before taxation are attributable to the one principal activity of the company.

Rent Receivable is as follows:

	1998	1997
	£	£
Rent receivable excluding service charge	53,628	51,315
Service charges receivable	-	-
Revenue grants receivable	250	3,500
Rent losses arising from voids	(7,444)	(4,834)
Rent losses arising from bad debts	-	-

The number of units of housing accommodation in management at both the start and end of the year were nine.

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

3. STAFF COSTS

	1998	1997
	£	£
Wages and salaries	17,618	17,302
Social security costs	806	721
	<u>18,424</u>	<u>18,023</u>

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

	1998	1997
Full Time employees	2	2
Part Time employees	4	4
	<u>6</u>	<u>6</u>

4. OPERATING (LOSS)/PROFIT

The operating loss (1997 - operating profit) is stated after charging:

	1998	1997
	£	£
Depreciation - owned assets	2,741	2,182
Auditors' remuneration	1,022	999
	<u></u>	<u></u>

Directors' emoluments and other benefits etc	-	-
	<u></u>	<u></u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	1998	1997
	£	£
Bank Deposit Interest - Gross	1,837	1,008
	<u></u>	<u></u>

6. TAXATION

The company is a registered charity and is not liable to corporation tax.

7. ESTABLISHMENT OF REGISTERED SOCIAL LANDLORD

The Society is registered under the Companies Act 1985 (no. 961985), under the Housing Act 1996 and is a registered charity (no. 259776). The Society is wholly engaged in hostel activities as defined in the Housing Act 1996.

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

8. TANGIBLE FIXED ASSETS

	Housing Land & Buildings	Fixtures and fittings	Totals
	£	£	£
COST:			
At 1 October 1997	47,705	19,912	67,617
Additions	-	5,153	5,153
At 30 September 1998	47,705	25,065	72,770
DEPRECIATION:			
At 1 October 1997	3,020	11,829	14,849
Charge for year	755	1,986	2,741
At 30 September 1998	3,775	13,815	17,590
NET BOOK VALUE:			
At 30 September 1998	43,930	11,250	55,180
At 30 September 1997	44,685	8,083	52,768

Included in land and buildings is freehold land valued at £10,000 (1997 - £10,000) which is not depreciated.

Cost or valuation of housing land and buildings at 30 September 1998 is as follows:

	1998	1997
	£	£
Cost	157,755	157,755
Less Social Housing Grant	110,050	110,050
	47,705	47,705

9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1998	1997
	£	£
Prepayments	491	619

The aggregate amount of rent arrears at 30 September 1998 is nil (1997 - nil). There are no provisions for bad debts.

10. LIABILITIES: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	1998	1997
	£	£
Accruals and Deferred Income	4,459	3,494

THE ABBEYFIELD (WORCESTER) SOCIETY LIMITED

A REGISTERED CHARITY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 1998

11. OFFICERS' AND SENIOR EXECUTIVES' INTERESTS, ETC.

There have been no transactions, including any agreement, contract or loan made to any officer or a senior executive or person connected with the officer or senior executive which is repaid by the registered social landlord, entered into by the registered social landlord in which an officer or a senior executive of the registered social landlord or person connected with the officer or the senior executive has expressed an interest.