

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
30 SEPTEMBER 2015
FOR
ABBEYFIELD WORCESTER SOCIETY LIMITED
Reg Co : 00961985**



ABBNEYFIELD WORCESTER SOCIETY LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Page
Report of the Trustees	1 to 3
Report of the Independent Auditors	4 to 5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 13
Detailed Statement of Financial Activities	14 to 15

ABBNEYFIELD WORCESTER SOCIETY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00961985 (England and Wales)

Registered Charity number
259776

Registered office
12 Greenhill
London Road
Worcester
WR5 2AA

Trustees

Miss A England	
Mrs R L Griffin	resigned 30 September 2015
G A Harris	
Dr G D T Holehouse	
Miss P J Rayer	
L A West	
P S Kendal	

Auditors

Ballard Dale Syree Watson LLP, Statutory Auditor
Chartered Accountants
Registered Auditors
11c Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Solicitors

Hallmark Hulme
3-5 Sansome Place
Worcester
WR1 1UQ

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Society is governed by its Memorandum and Articles of Association and was incorporated on 15 September 1969 as a company limited by guarantee with no share capital; the Company Number is 00961985. The Society is also registered as a charity, Charity Number 259776, and with the Housing Corporation as a Registered Social Housing Provider, Number H2907.

Recruitment and appointment of new trustees

New trustees are recruited and appointed at the discretion of the existing trustees.

Induction and training of new trustees

New trustees are instructed in their duties by the existing trustees and are required to be aware of the guidance to trustees issued by the Charity Commission.

ABBNEYFIELD WORCESTER SOCIETY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

All trustees are members of the executive committee which is charged with the management of the charity in furtherance of its principal activity, fund management and financial affairs generally.

One third of the trustees must retire by rotation each year, but are eligible for re-election.

Wider network

The Society is a member of the Abbeyfield Society by payment of an annual subscription.

Risk management

The trustees have overall responsibility for ensuring that the Society has appropriate systems of controls, both financial and otherwise. The systems of financial controls are designed to provide reasonable, but not absolute, assurance against fraud and error. The trustees will continue to monitor risks and set up policies to mitigate them.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are to provide accommodation, care and companionship for lonely or frail elderly people.

Public benefit

The trustees confirm that they have complied with their duty to have due regard to guidance on public benefit published by the Charity Commission and consider that they meet the public benefit requirements of the Charities Act 2011 in carrying out their normal activities.

ACHIEVEMENT AND PERFORMANCE

Review of business and results during the year

The company's income fell compared to the previous year due to the impending closure of its existing house at 12 Greenhill and the Board's decision not to seek new residents. However, costs were carefully controlled and the deployment of the manager for part of her time to Abbeyfield Hereford, pending a merger between the two companies, helped in this process. The result was a modest loss of £18,188 for the year.

Future developments

The company maintained its emphasis on the future by pressing ahead with Whiston Court, its new development of 37 apartments in White Ladies Close (off the Tything, Worcester), which was nearing completion at the end of the financial year and finally handed over in February 2016. The sale of 12 Greenhill was completed in March, with the remaining residents moving from Greenhill to Whiston Court. The Board is now focused on the occupancy of the new building and the merger with Abbeyfield Hereford.

FINANCIAL REVIEW

Reserves policy

The directors' reserves policy has been to maintain sufficient general funds to finance the expenditure of the organisation for the next 12 months and a fund to deal with repairs and maintenance. However, with the planned disposal of the existing premises, the directors have released the balance in this latter fund.

ABBNEYFIELD WORCESTER SOCIETY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Abbeyfield Worcester Society Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

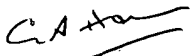
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Ballard Dale Syree Watson LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on10 May 2016..... and signed on its behalf by:



.....
G A Harris - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ABBEYFIELD WORCESTER SOCIETY LIMITED

We have audited the financial statements of Abbeyfield Worcester Society Limited for the year ended 30 September 2015 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page three, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

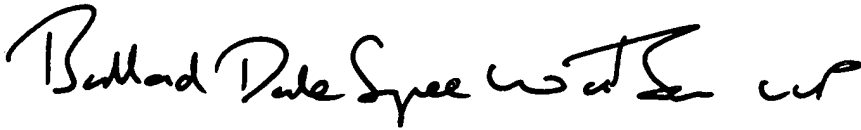
- give a true and fair view of the state of the charitable company's affairs as at 30 September 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
ABBNEYFIELD WORCESTER SOCIETY LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Ballard Dale Syree Watson LLP, Statutory Auditor

Chartered Accountants

Registered Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

11c Kingswood Road

Hampton Lovett

Droitwich

Worcestershire

WR9 0QH

Date: 20 June 2016

ABBNEYFIELD WORCESTER SOCIETY LIMITED

Registered Company Number 00961985

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	Not es	Unrestricted funds £	Restricted fund £	2015 Total funds £	2014 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	10	528	538	3,487
Investment income	3	3,632	-	3,632	5,358
Incoming resources from charitable activities	4				
Residents' contributions		60,233	-	60,233	91,334
Recharged expenses		<u>27,400</u>	<u>-</u>	<u>27,400</u>	<u>-</u>
Total incoming resources		91,275	528	91,803	100,179
RESOURCES EXPENDED					
Charitable activities	5				
Service costs		74,781	528	75,309	68,650
Repairs and maintenance		8,644	300	8,944	9,089
Management expenses		22,588	-	22,588	12,355
Governance costs	6	<u>3,150</u>	<u>-</u>	<u>3,150</u>	<u>3,013</u>
Total resources expended		109,163	828	109,991	93,107
NET INCOMING/(OUTGOING) RESOURCES		(17,888)	(300)	(18,188)	7,072
Other recognised gains/losses					
Freehold property revaluation		<u>368,150</u>	<u>-</u>	<u>368,150</u>	<u>-</u>
Net movement in funds		350,262	(300)	349,962	7,072
RECONCILIATION OF FUNDS					
Total funds brought forward		1,273,991	2,000	1,275,991	1,268,919
TOTAL FUNDS CARRIED FORWARD		<u>1,624,253</u>	<u>1,700</u>	<u>1,625,953</u>	<u>1,275,991</u>

The notes form part of these financial statements

ABBNEYFIELD WORCESTER SOCIETY LIMITED

Registered Company Number 00961985

**BALANCE SHEET
AT 30 SEPTEMBER 2015**

	Not es	Unrestricted funds £	Restricted fund £	2015 Total funds £	2014 Total funds £
FIXED ASSETS					
Tangible assets	10	4,458,265	1,700	4,459,965	1,913,740
CURRENT ASSETS					
Debtors	11	19,377	-	19,377	34,088
Cash at bank and in hand		<u>475,536</u>	<u>-</u>	<u>475,536</u>	<u>234,487</u>
		494,913	-	494,913	268,575
CREDITORS					
Amounts falling due within one year	12	<u>(439,660)</u>	<u>-</u>	<u>(439,660)</u>	<u>(385,551)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>55,253</u>	<u>-</u>	<u>55,253</u>	<u>(116,976)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,513,518	1,700	4,515,218	1,796,764
CREDITORS					
Amounts falling due after more than one year	13	<u>(2,889,265)</u>	<u>-</u>	<u>(2,889,265)</u>	<u>(520,773)</u>
NET ASSETS		<u>1,624,253</u>	<u>1,700</u>	<u>1,625,953</u>	<u>1,275,991</u>
FUNDS	14				
Unrestricted funds				1,624,253	1,273,991
Restricted funds				<u>1,700</u>	<u>2,000</u>
TOTAL FUNDS				<u>1,625,953</u>	<u>1,275,991</u>

The notes form part of these financial statements

ABBNEYFIELD WORCESTER SOCIETY LIMITED

BALANCE SHEET - CONTINUED
AT 30 SEPTEMBER 2015

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2015.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 144 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on10 MAY 2016..... and were signed on its behalf by:


.....
G A Harris -Trustee

ABBNEYFIELD WORCESTER SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost of buildings
Property under construction	- not provided
Fixtures and fittings	- 15% on reducing balance

Interest charged on the loans taken out to fund the construction of the charity's new property from Lloyds Bank and The Abbeyfield Society has been capitalised and is included in the cost of the property under construction.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. VOLUNTARY INCOME

	2015 £	2014 £
Donations	10	-
Grants received	<u>528</u>	<u>3,487</u>
	<u>538</u>	<u>3,487</u>

Grants received, included in the above, are as follows:

	2015 £	2014 £
Abbeyfield Society Anonymous Benefactor Grants	<u>528</u>	<u>3,487</u>

ABBNEYFIELD WORCESTER SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

3. INVESTMENT INCOME

	2015	2014
	£	£
Rents received	3,626	5,334
Deposit account interest	<u>6</u>	<u>24</u>
	<u>3,632</u>	<u>5,358</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	2015	2014
		£	£
Income from lettings and care service charges	Residents' contributions	60,233	91,334
Recharged expenses	Recharged expenses	<u>27,400</u>	<u>-</u>
		<u>87,633</u>	<u>91,334</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Service costs	75,309	75,309
Repairs and maintenance	8,944	8,944
Management expenses	<u>22,588</u>	<u>22,588</u>
	<u>106,841</u>	<u>106,841</u>

6. GOVERNANCE COSTS

	2015	2014
	£	£
Auditors' remuneration	<u>3,150</u>	<u>3,013</u>

7. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Auditors' remuneration	3,150	3,013
Depreciation - owned assets	<u>4,736</u>	<u>6,101</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2015 nor for the year ended 30 September 2014.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2015 nor for the year ended 30 September 2014.

ABBNEYFIELD WORCESTER SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

9. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	54,708	42,482
Social security costs	<u>1,104</u>	<u>1,902</u>
	<u>55,812</u>	<u>44,384</u>

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

	2015	2014
Full time	2	2
Part time	<u>3</u>	<u>3</u>
	<u>5</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

10. TANGIBLE FIXED ASSETS

	Freehold property	Property under constructio n	Fixtures and fittings	Totals
	£	£	£	£
COST OR VALUATION				
At 1 October 2014	47,705	1,851,597	90,974	1,990,276
Additions	-	2,181,531	1,280	2,182,811
Revaluations	<u>368,150</u>	<u>-</u>	<u>-</u>	<u>368,150</u>
At 30 September 2015	<u>415,855</u>	<u>4,033,128</u>	<u>92,254</u>	<u>4,541,237</u>
DEPRECIATION				
At 1 October 2014	15,855	-	60,681	76,536
Charge for year	<u>-</u>	<u>-</u>	<u>4,736</u>	<u>4,736</u>
At 30 September 2015	<u>15,855</u>	<u>-</u>	<u>65,417</u>	<u>81,272</u>
NET BOOK VALUE				
At 30 September 2015	<u>400,000</u>	<u>4,033,128</u>	<u>26,837</u>	<u>4,459,965</u>
At 30 September 2014	<u>31,850</u>	<u>1,851,597</u>	<u>30,293</u>	<u>1,913,740</u>

The cost of freehold property of £47,705 represents the original cost of £157,755 less the Social Housing Grant received of £110,050. The revaluation of the property reflects its agreed sale price of £400,000.

ABBAYFIELD WORCESTER SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Other debtors	-	30,848
Abbeyfield Hereford	17,071	-
Prepayments and accrued income	<u>2,306</u>	<u>3,240</u>
	<u>19,377</u>	<u>34,088</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	-	772
Contributions in advance	9,724	2,345
Social security and other taxes	1,944	1,727
Security deposits	110	110
Property development creditor	184,584	132,094
Abbeyfield Society loan	240,000	240,000
Accrued expenses	<u>3,298</u>	<u>8,503</u>
	<u>439,660</u>	<u>385,551</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015	2014
	£	£
Abbeyfield Society loan	2,000,000	509,420
Bank loan	816,386	-
Property development creditor	<u>72,879</u>	<u>11,353</u>
	<u>2,889,265</u>	<u>520,773</u>

14. MOVEMENT IN FUNDS

	At 1.10.14	Net movement in funds	At 30.9.15
	£	£	£
Unrestricted funds			
General fund	54,763	350,262	405,025
Development Reserve fund	<u>1,219,228</u>	<u>-</u>	<u>1,219,228</u>
	1,273,991	350,262	1,624,253
Restricted funds			
General Restricted fund	2,000	(300)	1,700
	<u>2,000</u>	<u>(300)</u>	<u>1,700</u>
TOTAL FUNDS	<u>1,275,991</u>	<u>349,962</u>	<u>1,625,953</u>

ABBNEYFIELD WORCESTER SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	91,275	(109,163)	368,150	350,262
Restricted funds				
General Restricted fund	528	(828)	-	(300)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>91,803</u>	<u>(109,991)</u>	<u>368,150</u>	<u>349,962</u>

ABBNEYFIELD WORCESTER SOCIETY LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	2015	2014
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	10	-
Grants received	<u>528</u>	<u>3,487</u>
	538	3,487
Investment income		
Rents received	3,626	5,334
Deposit account interest	<u>6</u>	<u>24</u>
	3,632	5,358
Incoming resources from charitable activities		
Income from lettings and care service charges	60,233	91,334
Recharged expenses	<u>27,400</u>	<u>-</u>
	<u>87,633</u>	<u>91,334</u>
Total incoming resources	91,803	100,179
RESOURCES EXPENDED		
Charitable activities		
Wages	54,708	42,482
Social security	1,104	1,902
Catering, cleaning and residents' outings and gifts	10,792	12,806
Insurance	4,405	1,613
Call Aid	860	1,123
Refuse collection	265	252
Council taxes	2,727	1,333
Water rates	1,845	1,833
Heat and light	7,292	7,508
Sundry expenses	1,501	1,405
Repairs and maintenance	4,173	6,466
Telephone	801	725
The Abbeyfield Society membership fee	2,544	2,499
Stationery and postage	882	549
Advertising	233	244
Professional fees	7,973	1,253
Depreciation of buildings	-	755
Depreciation of fixtures and fittings	<u>4,736</u>	<u>5,346</u>
	106,841	90,094
Governance costs		
Auditors' remuneration	<u>3,150</u>	<u>3,013</u>
Total resources expended	109,991	93,107

This page does not form part of the statutory financial statements

ABBNEYFIELD WORCESTER SOCIETY LIMITED

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2015**

	2015 £	2014 £
	<hr/>	<hr/>
Net (expenditure)/income	<u><u>(18,188)</u></u>	<u><u>7,072</u></u>