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THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1993



THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1993

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THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

1.

OFFICERS, PROFESSIONAL ADVISERS & REGISTERED OFFICE

Executive Committee	Mr.Hill(deceased 3.2.1993) (President) Mr.Warriner (Vice President) Mrs.Phillips (Chairman) Mrs.Baxter Mr.Chappell Mrs.Cooper Mr.Freund Mrs.Hall Mrs.Hill Mr.Randell Mrs.Wood
Secretary	Dr.Wyatt(resigned 27.1.93) Mrs.Leegood
Auditors	Edmonds Wright & Co. York House Grimsdyke Road Hatch End,Pinner Middx.
Bankers	Barclays Bank PLC Gerrards Cross
Registered Office	56 School Lane Chalfont St Peter Bucks SL9 9BB

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee submits its report and the accounts for the year ended 31st March 1993.

1. PRINCIPAL ACTIVITY

The principal activity of the Society is to provide accommodation for lonely and elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. These activities fall wholly within hostel housing activities as defined in the Housing Act 1974. The house maintained 95% occupancy throughout the year under review; voids amounted to £3,620 (1992 £863). Part of the capital to finance the project was provided by Public Funds (see notes 3 and 9) but other funds have been raised by the Society to provide certain amenities not covered by those Public Funds.

2. STATUS

The Society is a registered Company limited by guarantee Registered in England (No. 995212) and is an exempt charity.

3. RESULTS

The results for the year are as set out in the income and expenditure accounts on pages 5 to 6. The Committee considers that the state of affairs of the Society is satisfactory.

4. FIXED ASSETS

Note 3 summarises the changes to the amounts of cost and depreciation on housing land and buildings and Note 4 summarises the changes to the amounts for fixtures, fittings and equipment. The 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. EXECUTIVE COMMITTEE

Mr. Hill (deceased 3.2.1993)	(President)	Mrs. Cooper
Mr. Warriner	(Vice President)	Mr. Freund
Mrs. Phillips	(Chairman)	Mrs. Hall
Mrs. Herbert	(Treasurer)	Mrs. Hill
Mrs. Leegood	(Secretary)	Mr. Randell
Mrs. Baxter		Mrs. Wood
Mr. Chapell		

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

3.

REPORT OF THE EXECUTIVE COMMITTEE CONTD.

6. AUDITORS

A resolution for the re-appointment of Edmonds Wright & Co.  
as auditors will be proposed at the forthcoming Annual General  
Meeting.



Mrs. Leegood

On behalf of the Executive Committee

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

4.

REPORT OF THE AUDITORS

To the members of

The Abbeyfield (Chalfonts) Society Limited

We have audited the accounts on pages 5 to 18 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the Society's affairs at 31st March 1993 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985, the Housing Associations Act 1985 and the Registered Housing Associations (Accounting Requirements) orders 1988, 1989 and 1992.

York House  
Grimsdyke Road  
Hatch End, Pinner  
Middx.

*Edmonds Wright & Co*  
EDMONDS WRIGHT & CO.  
Certified Accountants  
& Registered Auditors

10TH SEPTEMBER 1993

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

5.

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1993

INCOME Notes	Summary Income & Expenditure Account		Hostel Property Revenue Account		General Income & Expenditure Account	
	1993	1992	1993	1992	1993	1992
	£	£	£	£	£	£
Residential charges receivable	73,800	69,624	73,800	69,624		
Losses arising from vacancies	<u>3,620</u>	<u>863</u>	<u>3,620</u>	<u>863</u>		
Net Income from residential charges	70,180	68,761	70,180	68,761		
Other income	6	184			6	184
Bank & short term deposit interest gross	<u>5,785</u>	<u>6,542</u>			<u>5,785</u>	<u>6,542</u>
TOTAL NET INCOME	<u>75,971</u>	<u>75,487</u>	<u>70,180</u>	<u>68,761</u>	<u>5,791</u>	<u>6,726</u>
	=====	=====	=====	=====	=====	=====
EXPENDITURE						
Management Expenses						
Voluntary management services 2.13	-	-	7,164	7,989	(7,164)	(7,989)
Insurance	797	660	797	660		
Membership/ affiliation fee						
The Abbeyfield Society Ltd	1,501	992	1,501	992		
Auditors remuneration	1,478	1,193	1,478	1,193		
Secretarial & postage	<u>671</u>	<u>75</u>	<u>671</u>	<u>75</u>	-	-
	<u>4,447</u>	<u>2,920</u>	<u>11,611</u>	<u>10,909</u>	<u>(7,164)</u>	<u>(7,989)</u>

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

6.

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1993

Notes	Summary Income & Expenditure Account		Hostel Property Revenue Account		General Income & Expenditure Account	
	1993	1992	1993	1992	1993	1992
	£	£	£	£	£	£
<b>EXPENDITURE</b>						
<b>(CONTD)</b>						
Repairs & Maintenance						
Current	2,100	527	2,100	527		
Future cyclical repairs provision 2.10	1,500	1,500	1,500	1,500		
Major repairs provision 2.10	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>		
	<u>7,600</u>	<u>6,027</u>	<u>7,600</u>	<u>6,027</u>		
Service Costs						
Doctors Honorarium	500	500	500	500		
Employee costs	19,182	17,490	19,182	17,490		
Food costs & cleaning materials	15,939	16,458	15,939	16,458		
Garden maintenance	2,316	1,992	2,316	1,992		
Water Rates	798	962	798	962		
Heating and Lighting	6,407	9,363	6,407	9,363		
Telephone	733	1,208	733	1,208		
Sundry Expenses	788	730	788	730		
Depreciation	<u>1,947</u>	<u>4,683</u>	<u>1,947</u>	<u>4,683</u>		
	<u>48,610</u>	<u>53,386</u>	<u>48,310</u>	<u>53,386</u>		
Interest attributable to Housing Association						
Local authorities	<u>1,248</u>	<u>1,456</u>	<u>1,248</u>	<u>1,456</u>		
TOTAL EXPENDITURE	61,905	63,789	69,069	71,778	(7,164)	(7,989)
	=====	=====	=====	=====	=====	=====
TOTAL NET SURPLUS/DEFICIT FOR YEAR	14,066	11,698	1,111	(3,017)	12,955	14,715
	=====	=====	=====	=====	=====	=====



THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

7.

BALANCE SHEET AT 31ST MARCH 1993

	Notes	<u>1993</u> £	<u>1992</u> £
<b>TANGIBLE FIXED ASSETS</b>			
Housing land & buildings	3		
Housing Association Grant Assisted Schemes			
Cost		109,737	109,737
Housing Association Grant	9	(29,809)	(29,809)
Property Equity account	2.7.4	<u>(19,184)</u>	<u>(19,184)</u>
Net book amount	3	60,744	60,744
Fixtures, fittings and equipment	4	<u>-</u>	<u>916</u>
Total fixed assets -net of depreciation and grant		60,744	61,660
<b>CURRENT ASSETS</b>			
Stocks	2.14	1,000	1,000
Debtors and Prepayments	5	1,197	1,185
Higher rate bank deposits		82,755	70,971
Cash at bank and in hand		<u>4,286</u>	<u>2,250</u>
Total current assets		<u>89,238</u>	<u>75,406</u>
<b>CURRENT LIABILITIES</b>			
Amounts falling due within one year			
Creditors and accruals	6	<u>7,442</u>	<u>6,435</u>
Net current assets		<u>81,796</u>	<u>68,971</u>
Total assets less current liabilities		142,540	130,631
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Future cyclical repairs	7	(1,989)	(5,219)
Major repairs	8	<u>(19,863)</u>	<u>(15,863)</u>
		<u>21,852</u>	<u>21,082</u>
EXCESS OF ASSETS OVER FOREGOING LIABILITIES AND PROVISIONS		120,688	109,549
		=====	=====

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

£.

BALANCE SHEET AT 31ST MARCH 1993 (CONTD)

	Notes	<u>1993</u>	<u>1992</u>
		£	£
FINANCED BY			
Housing property finance			
Loans repayable after one year			
Housing Association Grant Assisted Scheme	9	12,465	15,392
Members Contribution		38	38
Accumulated Surplus	11	<u>108,185</u>	<u>94,113</u>
		120,688	109,549
		=====	=====

The accounts were approved by the  
Executive Committee on 22nd JULY 1993

*Jan E. Phillips* CHAIRMAN

*M. B. Keegan* SECRETARY

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

9.

STATEMENT OF HOUSING ADMINISTRATION COSTS YEAR ENDED  
31ST MARCH 1993

HOUSING ACCOMMODATION	<u>Total</u> £
MANAGEMENT	
Management costs	
Voluntary management services	(7,164)
Other managements costs	(4,447)
Maximum management allowances	11,611
	-----
Costs over/(under) maximum allowances	-
	=====
CURRENT MAINTENANCE	
Current maintenance costs	(2,100)
Maximum current maintenance allowances	4,214
	-----
Costs over/(under) maximum allowances	(2,114)
	=====
TOTAL MAINTENANCE COSTS	
Current maintenance costs	2,100
Cyclical maintenance costs	4,730
	-----
Total maintenance costs	6,830
	=====
TOTAL MAINTENANCE ALLOWANCES	
Maximum current maintenance allowances	1,918
Maximum cyclical maintenance allowances	2,296
	-----
Total maximum maintenance allowances	4,214
	=====
Total costs (under)/over total maximum allowance	2,616
	=====

NOTES TO THE ACCOUNTS 31ST MARCH 1993

**1. STATUS OF SOCIETY**

The society is incorporated under the Companies Act 1985 as a company limited by guarantee, not having a Share Capital. The members' liability is limited to £1. The Society is a Registered Charity Number 261970. The Society is registered under the Housing Act 1974 and is wholly engaged in hostel housing activities as defined in that Act.

**2. ACCOUNTING POLICIES**

**2.1. General**

The principal accounting policies of the Society are set out in the following sub-paragraphs.

**2.2. Accounting basis**

The accounts are prepared under the historical cost convention, comply with the appropriate legislation and with the Registered Housing Associations (Accounting Requirements, Orders 1988, 1989 and 1992 and are based, where appropriate and consistent with the foregoing, on The Housing Corporation's Recommended Form of Published Accounts for Housing Associations, fourth edition as revised in October 1990.

**2.3. Finance**

The accounts are prepared on the basis that the capital expenditure referred to in Note 2.7 will be grant aided, funded by loan or met from reserves.

**2.4. Mortgage Loans**

The mortgage loans have been advanced by the Chiltern District Council under the terms of the Mortgage Deed in respect of Austen Mead and Little Mead.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

2.5. Housing Association Grants

HAG's are made by the Housing Corporation (and formerly by the Department of the Environment) and are utilised to reduce the amount of mortgage loans in respect of an approved scheme to the amounts which it is estimated can be serviced by the net annual income of the scheme. The amount of HAG is calculated on the qualifying costs (Note 2.7) of the scheme in accordance with the instructions issued from time to time by the Housing Corporation. The grants are made direct to the lending authority and are reflected in the Society's accounts when the payment is made, at which time the relevant mortgage loan is reduced. In accordance with the terms of The Registered Housing Associations (Accounting Requirements) Orders, these grants, when received, are shown in the balance sheet as a deduction from the cost of land and buildings-HAG assisted schemes. HAG is repayable under certain circumstances, primarily following sale of property but repayment will normally be restricted to net proceeds of sale.

2.7. Fixed Assets. Housing, land and buildings - HAG assisted and Non-HAG assisted schemes.

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

- (i) cost of acquiring land and buildings;
- (ii) development expenditure;
- (iii) interest charged on mortgage loans raised to finance the scheme up to the date of completion; and
- (iv) amounts equal to acquisition and development allowances receivable.

These costs are either termed "qualifying costs" by the Housing Corporation for approved HAG schemes and are considered for mortgage loans by the relevant lending authorities, or are met out of the Society's own reserves (including charitable funding provided to the Society for that purpose).

Expenditure on schemes which are subsequently aborted is written off in the year in which it is recognised that a scheme will not be developed to completion.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

2.7.2. Interest on the mortgage loan financing the development is capitalised up to the relevant date of the interim HAG application. Interest on the residual mortgage loan after this date is charged to the property revenue account. Interim relevant date for each scheme is determined in accordance with guidelines laid down in circulars from time to time by the Housing Corporation. At present the guidelines provide for interim relevant date to occur three months after the last date of the month in which practical completion occurs. Interest on advances made after the interim HAG application is capitalised up to the final relevant date for the scheme, guidelines for which are determined by The Housing Corporation and laid down in circulars from time to time.

2.7.3. All invoices and architect's certificates relating to the capital expenditure are included in the accounts at the gross value, provided that the expenditure was incurred or the architect's certificate was completed by the end of the accounting year.

2.7.4. To the extent that capital expenditure on housing land and buildings does not qualify for HAG and is financed from the Society's own resources, or from other charitable sources, an amount equal to that expenditure is transferred from the appropriate reserves of the Society to the credit of Property Equity Account.

2.7.5. Interest not capitalised at either the interim or final repayment dates is not charged to the Hostel Property Revenue accounts.

2.8. Fixed assets. Fixtures, fittings and equipment.

Assets donated to the Society are not included in the balance sheet; other assets are included at cost.

2.9. Depreciation

2.9.1. Housing, land and buildings

No depreciation is provided in respect of housing, land and buildings

2.9.2. Fixtures, fittings and equipment

In view of the net book value brought forward of £916, depreciation is charged to reduce the net book value (including additions in the current year) to nil.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

2. ACCOUNTING POLICIES (CONTD)

2.9.3. GENERAL

A pro rata depreciation charge is made on fixed assets in the year of purchase and no charge is made in the year of disposal.

2.10. Future cyclical and major repairs

These provisions are based on the Society's obligation to provide on a continuing basis for the cyclical maintenance and major repairs of its property, based on planned programmes of work including major repairs for which HAG will not be claimed. Provision is made for cyclical repairs [at the rate of £1500 p.a. in 1993 (1992 - £1500)], and for major repairs [at the rate of £4000 p.a. (1992 £4000)]. The Society has no Rent Surplus Fund, because it operates only hostel accommodation, and thus there is no contribution to major repairs.

2.12. Other provisions

Where it is considered that other anticipated charges or liabilities should reasonably be provided for out of net income on a programmed basis, the appropriate amount is charged to hostel property revenue account under the appropriate expense heading and credited to provisions, and will require an accounting policy.

2.13. Management Expenses

In arriving at the management expenses each year an amount is included in the Society's expenditure for the year equal to the applicable level of management allowances as used for grant calculations, in place of the actual expenditure on management, provided that the Society has made no claims for a hostel deficit grant for the previous five years and will make no claim for the year under review. This adjustment recognises the extensive skilled management services provided free of charge by Society members and an amount representing the difference between actual paid management costs and the appropriate management allowance is charged to hostel property revenue account and credited to general income and expenditure account.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

## 2.14. Stocks

These comprise catering (and oil and other) stocks valued at cost; the replacement cost of stocks is not significantly different from the historical cost at which it is stated in the accounts.

## 2.15. Business/general rates

The local rating authority granted to the Society not only the mandatory rate relief, but also the full additional discretionary relief up until 31st March 1993. The Society is not subject to Business rating for the period commencing 1st April 1992. Residents are exempt from the Community Charge, and residential staff are responsible for payment of their own liability.

## 2.16. Monetary donations

Monetary donations to the Society are credited in the accounts on a receipts basis.

## 2.17. Value added tax (VAT)

The Society is not registered for VAT. Accordingly VAT is charged to residents, and expenditure in the income and expenditure accounts includes the relevant VAT.

## 2.18. Pensions

The Society has no pension arrangements for its employees, other than Social Security benefits.

## 3. HOUSING LAND AND BUILDINGS

## HAG ASSISTED SCHEMES - FREEHOLD

	1993 £	1992 £
COST- COMPLETED SCHEMES		
At 31st March 1992 and 31st March 1993	109,737 =====	109,737 =====
The net book value was financed by		
HOUSING ASSOCIATION GRANT (Note 9)	29,809 =====	29,809 =====
PROPERTY EQUITY ACCOUNT		
At 31st March 1992 and 31st March 1993	19,184 =====	19,184 =====
NET BOOK AMOUNT AT 31ST MARCH 1993	60,744 =====	60,744 =====



THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

15.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

	1993 £	1992 £
4. FIXTURES, FITTINGS & EQUIPMENT		
COST		
At 1st April 1992	46,828	45,974
Additions	<u>1,031</u>	<u>854</u>
At 31st March 1993	47,859	46,828
	=====	=====
DEPRECIATION		
At 1st April 1992	45,912	41,229
Charged in year	<u>1,947</u>	<u>4,683</u>
At 31st March 1993	47,859	45,912
	=====	=====
NET BOOK VALUE AT 31ST MARCH 1993	-	916
	=====	=====
5. DEBTORS AND PREPAYMENTS		
Payments in advance and accruals	1,197	1,185
	=====	=====
6. CREDITORS AND ACCRUALS		
Lending authorities - HAG assisted schemes	2,220	2,220
Accruals	<u>5,222</u>	<u>4,215</u>
	7,442	6,435
	=====	=====
7. PROVISION - FUTURE CYCLICAL REPAIRS		
At 1st April 1992	3,219	13,098
Expenditure during year	(4,730)	(9,379)
Charged to hostel property revenue account	<u>1,500</u>	<u>1,500</u>
At 31st March 1993	1,989	5,219
	=====	=====
8. PROVISION - MAJOR REPAIRS		
At 1st April 1992	15,863	11,863
Expenditure during year	-	-
Charged to hostel property revenue account	<u>4,000</u>	<u>4,000</u>
At 31st March 1993	19,863	15,863
	=====	=====

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

16.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

	1993 £	1992 £
9. HOUSING PROPERTY FINANCE		
Mortgage Loans, HAG assisted schemes		
Completed properties	12,465 =====	15,392 =====

Housing mortgage loans are from The Housing Corporation and are secured by a charge on the Society's freehold land and buildings. After payment of the relevant HAG Note 2.5 above) the balance of the loan is repayable between 1997 and 1999. Interest is payable quarterly at rates between 6.5% and 12.375% p.a.

The building project was approved for the purposes of HAG which is a capital grant paid by the Central Government to The Housing Corporation and applied to reduce the outstanding balance of the loan including rolled up interest, leaving only the residue of the loan, is any, to be repaid by the Society.

10. SHARE CAPITAL

The Society is a Company limited by Guarantee and does not have a Share Capital.

£

11. ACCUMULATED SURPLUS - GENERAL INCOME AND EXPENDITURE ACCOUNT

At 31st March 1992, as previously reported	94,119
Surplus for the year	<u>14,066</u>
At 31st March 1993	108,185 =====

12. CONTINGENT LIABILITIES

	1993 £	1992 £
There were contingent liabilities at 31st March 1993 and 1992 amounting to	NIL ===	NIL ===

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

17.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

	1993 £	1992 £
<b>13.EMPLOYEES</b>		
Employee costs		
Salaries and wages	13,188	11,473
Social Security costs	<u>986</u>	<u>878</u>
	14,174	12,351
	=====	=====
	Number	
Average weekly number of persons employed during year		
Hostel staff	3	3
	===	===
<b>14.PAYMENT TO MEMBERS,COMMITTEE MEMBERS OFFICERS,ETC.</b>		
Fees,remuneration or expenses payable to members of the Society who were neither members of the Committee of Management, nor employees of the Society	None	None
	=====	=====
Fees,remuneration or expenses payable to members of the Committee of Management of the Society who were neither officers nor employees of the Society	None	None
	=====	=====
Fees,remuneration or expenses paid to officers of the Society who were not employees	5,008	5,139
	=====	=====
Payments or gifts made,or benefits granted to the persons referred to in sections 13 and 15 of the Housing Associations Act 1985	None	None
	=====	=====

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

18.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1993

15. AMOUNTS WITHDRAWN FROM PROVISIONS

There were no material amounts (1992 nil) withdrawn from provisions otherwise than for the purpose for which the provisions were established.

16. HOUSING STOCK

	Units under Development		Units in Management	
	<u>1993</u>	<u>1992</u>	<u>1993</u>	<u>1992</u>
	£	£	£	£
HOSTEL ACCOMMODATION				
At 31st March 1993				
Hostel accommodation				
-Number of bed spaces	NIL	NIL	14	14
	==	==	==	==