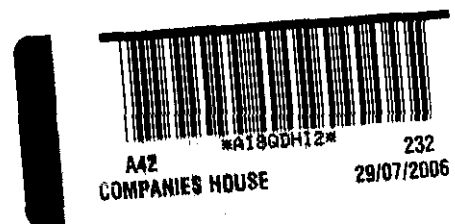


Company Number : 995212

Cansdales
Bourbon Court
Nightingales Corner
Little Chalfont
Buckinghamshire
HP7 9QS

t. 01494 765428
f. 01494 541800/763911
e. mailto@cansdales.co.uk
www.cansdales.co.uk



THE ABBEYFIELD (CHALFONTS)
SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 MARCH 2006

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

Company Number

995212

Registered Charity Number

261970

Housing Corporation Number

H1470

Executive Committee

Mrs M Leegood	Chairman
Mr P Degen	Secretary
Mrs M Young	
Mr G Roberts	Treasurer – Appointed 1 July 2005
Mr D Ayres-Regan	Appointed 1 July 2005

Registered Office

56 School Lane
Chalfont St Peter
Bucks SL9 9BB

Auditors

Cansdales
Chartered Accountants & Registered Auditors
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks HP7 9QS

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

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Income and Expenditure Account	4
Balance Sheet	5
Notes to the Financial Statements	6 - 10

The following page does not form part of the statutory financial statements -

Detailed Income and Expenditure Account	11
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THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 MARCH 2006

The Executive Committee present the financial statements for the year ended 31 March 2006.

Activity

The principal activity of the company continues to be that of providing accommodation for lonely and elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. The results for the year are set out in the Income and Expenditure Account.

Status

The Registered Social Landlord is incorporated under the Companies Act 1985 as a company limited by guarantee. The Registered Social Landlord is also a registered charity and registered under the Housing Act 1974.

Executive Committee

The Executive Committee, who are directors of the company under company law and Trustees under Charity Law, and who served during the year were as stated on the company information page. The company has no share capital however the Executive Committee members are all members of the company. Under the Articles of Association, the serving Executive Committee may appoint additional Committee Members at any time.

Our Property

In the opinion of the Committee the market value of freehold land and buildings was £1m.

Review of the Year

The Abbeyfield Society suffered during the year from some vacancy of its rooms but this was corrected in the last month or two and there is a waiting list of 15. Funds were successfully transferred to Nationwide International in the Isle of Man *from National Savings at a greater rate of interest. However higher costs for improvements and major items caused a deficit, being regarded as reasonable owing to the high savings of the Society.*

Insurance

The society has insurance against liabilities of all the Committee in relation to the Society's affairs.

Responsibilities of the Executive Committee

Company law requires the Executive Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company. In preparing these financial statements the Executive Committee is required to -

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

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

REPORT OF THE EXECUTIVE COMMITTEE (continued)
FOR THE YEAR ENDED 31 MARCH 2006

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

In so far as the directors are aware:

There is no relevant audit information which the society's auditors are unaware; and

The directors 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

Reserves Policy

It is the policy of the Society to maintain unrestricted funds not designated or invested in tangible fixed assets ("the free reserves") of the Society, at a level which equates to approximately six months unrestricted expenditure for management and administration costs. These were maintained throughout the year under review. The Directors review the policy annually.

Risk Management

The Directors have conducted a review of the major risks to the work of the Society and of the controls and procedures in place to mitigate them. These procedures will be periodically reviewed to ensure that they still meet the need of the Society.

Auditor

In accordance with section 385(2) of the Companies Act 1985 a resolution proposing the re-appointment of Cansdales as auditors will be put to the Annual General Meeting.

In so far as the directors are aware, there is no relevant audit information of which the auditors are unaware, and the directors 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.

Special exemptions

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

BY ORDER OF THE EXECUTIVE COMMITTEE



P L DEGEN - Secretary

14 July 2006

56 School Lane
Chalfont St Peter
Bucks SL9 9BB

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
YEAR ENDED 31 MARCH 2006

We have audited the financial statements of The Abbeyfield (Chalfonts) Society Limited for the accounting year ended 31 March 2006 which comprise the Income and Expenditure Account, Balance Sheet, and the related notes numbered 1 to 16. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the Society's members as a body, in accordance with section 235 of the Companies Act 1985 and the Accounting Requirements for Registered Social Landlords General Determination 2000. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's 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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE AND THE AUDITORS

The Executive Committee's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Executive Committee's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and comply with section 235 of the Companies Act 1985 and the Accounting Requirements for Registered Social Landlords General Determination 2000. We also report to you if, in our opinion, the Society has not kept proper books of account and maintained a satisfactory system of control over its transactions, if the Executive Committee's Report is not consistent with the financial statements, if we have not received all the information and explanations we require for our audit, or if information specified by law members' remuneration and transactions with the Society is not disclosed.

We read the Executive Committee report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards of Auditing (UK and Ireland) 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 judgements made by the Executive Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society'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. We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available for Small Entities, in the circumstances set out in note 16 to the financial statements.

OPINION

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Society's affairs as at 31 March 2006 and of the income and expenditure for the year then ended, and comply with section 235 of the Companies Act 1985 and the Accounting Requirements for Registered Social Landlords General Determination 2000 and the information given in the Report of the Executive Committee is consistent with the financial statements for the year ended 31 March 2006.

14th July 2006
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Cansdales
CANSDALES
Chartered Accountants
& Registered Auditors

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

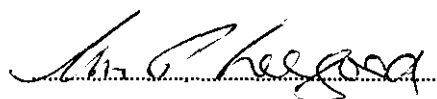
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2006

	Note	2006 £	2005 £
Turnover	15	110,696	127,119
Operating costs	14	<u>(132,208)</u>	<u>(129,385)</u>
Operating (Deficit)	15	(21,512)	(2,266)
Interest received		4,806	4,095
(Deficit)/Surplus for the year		<u>(16,706)</u>	<u>1,829</u>
Transfer (to) designated reserves	9	-	-
Revenue (Deficit)/Surplus for the year		<u><u>(£16,706)</u></u>	<u><u>£1,829</u></u>

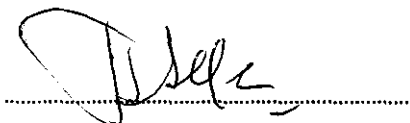
All the Registered Social Landlord's activities are classed as continuing.

The movements on reserves are shown in note 9 to the financial statements.

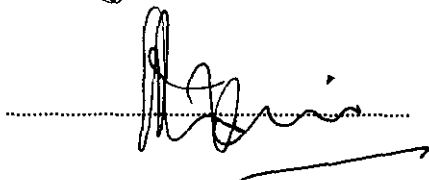
There were no recognised gains or losses other than the result for the year.



M Leegood (Chairman)



P Degen (Secretary)



J Roberts (Treasurer)

14 July 2006

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

BALANCE SHEET
AT 31 MARCH 2006

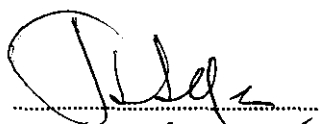
	Note	2006		2005	
		£	£	£	£
Tangible Fixed Assets	4		155,793		165,191
Current Assets					
Stock	5	-		979	
Debtors	6	1,364		2,317	
Cash at bank and in hand		110,440		122,171	
		<u>111,804</u>		<u>125,467</u>	
Creditors: Amounts falling due within one year	7	<u>7,371</u>		<u>13,726</u>	
Net Current Assets			<u>104,433</u>		<u>111,741</u>
Total Assets less Current Liabilities			<u><u>£260,226</u></u>		<u><u>£276,932</u></u>
Capital & Reserves					
Contribution made by members	8		11		11
Revenue reserve	9		230,215		246,921
Designated reserves	9		<u>30,000</u>		<u>30,000</u>
			<u><u>£260,226</u></u>		<u><u>£276,932</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.


These financial statements were authorised and approved by the Executive Committee on 14 July 2006



M Leegood (Chairman)



P Degen (Secretary)



J Roberts (Treasurer)

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

1. Accounting Policies

(a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Companies Act 1985 and The Accounting Requirements for Registered Social Landlords General Determinations 2000, and the Statement of Recommended Practice – Accounting by Registered Housing Associations updated 2005. A summary of the significant accounting policies is set out below.

(b) SOCIAL HOUSING GRANTS

Social Housing Grants (SHG) are recognised when receivable. Where the developments have been financed wholly or partly by SHG the cost of those developments has been reduced by the amount of the grant received. Where SHG is received on items treated as revenue expenditure, e.g. elements of major repair expenditure, it is treated as a revenue grant and credited to the income and expenditure account. If housing properties are disposed of, the SHG attributable to the properties is either repayable to the Housing Corporation or held in a Recycled Capital Grant Fund or Disposal Proceeds Fund which is the case in most circumstances. Deducting grants from the cost of fixed assets contravenes the Companies Act 1985 is necessary to give a true & fair view.

(c) TURNOVER

Turnover represents rental and service charge income receivable, donations and revenue grants, all turnover is recognised on a receivable basis.

(d) TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation. Housing, land and buildings are stated at development cost funded with SHG or under earlier funding arrangements. Such cost includes the cost of acquiring land and buildings, development expenditure, interest charged on mortgage loans raised to finance the scheme up to the date of completion and amounts equal to acquisition and development allowances receivable.

(e) DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as disclosed below:

Fixtures and fittings	-	20% per annum on cost
Major building fixtures	-	5% per annum on cost
Freehold Buildings	-	2% per annum on cost

Freehold land is not depreciated.

Items of fixtures and fittings are only capitalised where the purchase price exceeds £500.

(f) STOCKS

Stocks are stated at the lower of cost and net realisable value, and represent catering supplies.

(g) PENSION

The Society operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Society. The annual contributions payable are charged to the income and expenditure account.

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

(h) EXPENSES

Resources expended are accounted for on an accruals basis, inclusive of irrecoverable VAT.

(i) FUNDS ACCOUNTING

Funds held by the Society are:

Unrestricted general funds – these are funds which can be used in accordance with the Society's objects at the discretion of the Executive Committee.

Designated funds – these are funds set aside by the Executive Committee out of unrestricted general funds for specific future purposes or projects.

The nature and purpose of each fund is explained further in note 9.

(j) MAJOR REPAIRS

Major repairs expenditure of a capital nature is capitalised, non capital expenditure is reflected in the income and expenditure account together with any related grant funding.

(k) WORKS TO EXISTING HOUSING PROPERTIES

Any works which do not result in an enhancement of economic benefits of a property are charged to the income and expenditure account. This includes expenditure incurred to ensure that the property can maintain its existing level of net rental income or the standard of performance anticipated when the asset was first acquired or constructed or last replaced.

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

2. Operating Surplus	2006	2005
	£	£
This is stated after charging:		
Auditors' remuneration	2,242	1,638
Depreciation	9,398	9,399

3. Employees

Salaries and wages	37,595	44,845
Social Security costs	2,077	2,566
Pension costs	226	1,397
	<u>39,898</u>	<u>48,808</u>

The average number of persons employed by the Registered Social Landlord during the year expressed as full time equivalents was:

<u>2</u>	<u>3</u>
----------	----------

The average monthly number of employees, including part time employees

<u>4</u>	<u>5</u>
----------	----------

4. Fixed Assets

	Freehold Property	Fixtures & Fittings	Major Buildings Fixtures	TOTAL
	£	£	£	£
COST				
At 1 April 2005	158,931	59,178	119,463	337,572
Additions	-	-	-	-
At 31 March 2006	<u>158,931</u>	<u>59,178</u>	<u>119,463</u>	<u>337,572</u>

DEPRECIATION

At 1 April 2005	10,536	56,419	50,824	117,779
Charge for the year	1,756	1,669	5,973	9,398
At 31 March 2006	<u>12,292</u>	<u>58,088</u>	<u>56,797</u>	<u>127,177</u>

SOCIAL HOUSING GRANT

At 1 April 2005 and 31 March 2006	<u>29,809</u>	<u>-</u>	<u>24,793</u>	<u>54,602</u>
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NET BOOK VALUE

At 31 March 2006	<u>116,830</u>	<u>1,090</u>	<u>37,873</u>	<u>155,793</u>
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NET BOOK VALUE

At 31 March 2005	<u>118,586</u>	<u>2,759</u>	<u>43,846</u>	<u>165,191</u>
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THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

	2006 £	2005 £
5. Stocks		
Consumables	-	£979
6. Debtors		
Other debtors	-	1,094
Prepayments	1,364	1,223
	<u>£1,364</u>	<u>£2,317</u>
7. Creditors: Amounts falling due within one year		
Other creditors	1,226	4,840
Taxation and Social Security	-	705
Accruals	6,145	8,181
	<u>£7,371</u>	<u>£13,726</u>

The average number of days between receipt and payment of purchase invoices is 7 (2005:7).

8. Contribution made by Members

The Registered Social Landlord is a company limited by guarantee and not having a share capital. The liability of each member is limited to a £1 contribution.

9. Reconciliation of Capital and Reserves

	Revenue Reserve £	Major Repairs Reserve £	Share Capital £	Total £
At 1 April 2005	246,921	30,000	11	276,932
Deficit for year	(16,706)	-	-	(16,706)
At 31 March 2006	<u>£230,215</u>	<u>£30,000</u>	<u>£11</u>	<u>£260,226</u>

The Major Repairs Reserve is intended to provide a reserve for major repairs expenditure.

10. Capital Commitments

There were no capital commitments at 31 March 2006 (2005 : ENIL).

11. Contingent Liabilities

There were no contingent liabilities at 31 March 2006 (2005 : ENIL).

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
(limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2006

12. Payments to Committee Members and Transactions with Connected Parties

No amounts have been paid as fees, remuneration of expenses nor any gifts or benefits provided to members of the Executive Committee or officers of the Registered Social Landlord who were not employed, with the exception of out of pocket expenses amounting to £792 (2005 : £674)

13. Housing Stock

Units in Management
2006 2005

Number of bedspaces

11 12

14. Operating Costs from Lettings

2006 2005
£ £

Housing Accommodation (11 units)

Services	88,589	103,708
Management	10,481	8,576
Routine maintenance	14,282	12,894
Major Repairs	18,856	4,207

£132,208 £129,385

15. Turnover, Operating (Deficit)/Surplus for the year

	Turnover	2006 Operating Costs	Operating (Deficit)	Turnover	2005 Operating Costs	Operating (Deficit)
	£	£	£	£	£	£
Income and expenditure from lettings						
Housing Accommodation	110,473	(132,208)	(21,735)	127,119	(129,385)	(2,266)
Other income and expenditure	223	-	223	-	-	-
Total	£110,696	(£132,208)	(£21,512)	£127,119	(£129,385)	(£2,266)

Turnover from Housing Accommodation

	2006 £	2005 £
Residents charges receivable	116,953	128,288
Losses from voids/vacancies	6,480	1,169
	£110,473	£127,119

16. Disclosure of Relevant Circumstances

In common with many other businesses of our size and nature, we use our auditors to assist with the preparation of the financial statements.