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THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

ACCOUNTS

FOR THE YEAR ENDED

31ST MARCH 1992

EDMONDS WRIGHT & COMPANY
Certified Accountants

7a Hill Avenue
Amersham
Buckinghamshire

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1992

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THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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OFFICERS, PROFESSIONAL ADVISERS & REGISTERED OFFICE

Executive Committee

Mr Hill (President)
Mrs Hill (Acting Chairman)
Mrs Herbert (Treasurer)
Mrs Cooper
Mr Randell
Mr Wariner
Mrs Baxter
Mrs Woods
Mr Chappell
Mr Freund
Mrs Hall
Dr Wyatt
Mrs Phillips

Secretary

Mrs Leegood

Auditors

Edmonds Wright & Company
7a Hill Avenue
Amersham
Bucks

Bankers

Barclays Bank PLC
Gerrards Cross

Registered office

56 School Lane
Chalfont St Peters
Bucks SL9 9BB

REPORT OF THE EXECUTIVE COMMITTEE

The Executive Committee submits its report and the accounts for the year ended 31st March 1992.

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 Ltd. These activities fall wholly within hostel housing activities as defined in the Housing Act 1974. The house remained substantially full throughout the year under review. Part of the capital to finance the project was provided by Public Funds (see Notes 3 and 10) 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

The members of the Executive Committee who served in the year were:

Mr Hill	(President)	Mrs Baxter
Mrs Hill	(Acting Chairman)	Mrs Woods
Mrs Herbert	(Treasurer)	Mr Chappell
Mrs Leegood	(Secretary)	Mr Fearn
Mrs Cooper		Mrs Hall
Mr Randell		
Mr Wariner		

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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REPORT OF THE DIRECTORS CONTD.

6. AUDITORS

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

Mrs Leegood *M. P. Leegood*

On behalf of the Executive Committee

.....*14.7.*..... 1992

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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REPORT OF THE AUDITORS

To the members of

The Abbeyfield (Chalfonts) Society Limited

We have audited the accounts on pages 5 to 19 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 1992 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 and 1989.

7a Hill Avenue
Amersham
Buckinghamshire



EDMONDS WRIGHT & COMPANY

Registered Auditors

..... 16 July 1992

INCOME & EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1992

INCOME	Notes	Summary Income & Expenditure Account		Hostel Property Revenue Account		General Income & Expenditure Account	
		1992 £	1991 £	1992 £	1991 £	1992 £	1991 £
Residential charges receivable		68,761	64,428	68,761	64,428		
Other income		184				184	
Bank & short term deposit interest gross		6,542	7,311			6,542	7,311
TOTAL NET INCOME		75,487	71,739	68,761	64,428	6,726	7,311
		=====	=====	=====	=====	=====	=====
EXPENDITURE							
Management expenses							
Voluntary management services	2.13	-	-	7,989	5,905	(7,989)	(5,905)
Insurance		660	651	660	651		
Membership/ affiliation fee							
The Abbeyfield Society Ltd		992	966	992	966		
Auditors remuneration		1,193	900	1,193	900		
Secretarial & postage		75	327	75	327		
Legal & accountancy charges		-	848	-	848		
		2,920	3,692	10,909	9,597	(7,989)	(5,905)
		-----	-----	-----	-----	-----	-----

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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INCOME & EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1992
(CONTD)

	Notes	Summary Income & Expenditure Account		Hostel Property Revenue Account		General Income & Expenditure Account	
		1992	1991	1992	1991	1992	1991
		£	£	£	£	£	£
EXPENDITURE (CONTD)							
Repairs & maintenance							
Current		527	2,330	527	2,330		
Future cyclical repairs provision	2.10	1,500	1,000	1,500	1,000		
Major repairs provision	2.10	4,000	2,500	4,000	2,500		
		-----	-----	-----	-----		
		6,027	5,830	6,027	5,830		
		-----	-----	-----	-----		
Service costs							
Care & catering							
Doctors Honorarium		500	-	500	-		
Employee costs	13	17,490	18,365	17,490	18,365		
Food costs & cleaning materials		16,458	15,760	16,458	15,760		
Garden maintenance		1,992	620	1,992	620		
Business/ general rates	2.15	-	-	-	-		
Water rates		962	399	962	399		
Heating & lighting		9,363	7,117	9,363	7,117		
Telephone		1,208	808	1,208	808		
Sundry expenses		730	585	730	585		
Depreciation	2.9	4,683	4,596	4,683	4,596		
		-----	-----	-----	-----		
		53,386	48,250	53,386	48,250		
		-----	-----	-----	-----		
Interest attributable to Housing accommodation							
Local authorities		1,456	2,003	1,456	2,003		
		-----	-----	-----	-----		
TOTAL EXPENDITURE		63,789	59,775	71,778	65,680	(7,989)	(5,905)
		=====	=====	=====	=====	=====	=====
TOTAL NET SURPLUS/ DEFICIT FOR THE YEAR							
		11,698	11,964	3,017	(1,252)	14,715	13,216
		=====	=====	=====	=====	=====	=====

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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BALANCE SHEET AS AT 31ST MARCH 1992

	Notes	<u>1992</u> £	<u>1991</u> £
TANGIBLE FIXED ASSETS			
Housing land & buildings	3		
Housing Association Grant Assisted Schemes		109,737	109,737
Cost	10	(29,809)	(29,809)
Housing Association Grant	2.7.4	(19,184)	(19,184)
Property equity account		-----	-----
Net book amount	3	60,744	60,744
Fixtures, fittings & equipment	4	916	4,745
		-----	-----
Total fixed assets - net of depreciation and grant		61,660	65,489
CURRENT ASSETS			
Stocks	2.14	1,000	1,000
Debtors & prepayments	5	1,185	525
Higher rate bank deposits		70,971	61,987
Cash at bank and in hand		2,250	4,208
		-----	-----
Total current assets		75,406	67,720
		-----	-----
CURRENT LIABILITIES			
Amounts falling due within one year			
Creditors & accruals	6	6,435	7,678
		-----	-----
Net current assets		68,971	60,042
		-----	-----
Total assets less current liabilities		130,631	125,531
PROVISIONS FOR LIABILITIES AND CHARGES			
Future cyclical repairs	7	(5,219)	(13,098)
Major repairs	8	(15,863)	(11,863)
		-----	-----
		(21,082)	(24,961)
		-----	-----
EXCESS OF ASSETS OVER FOREGOING LIABILITIES AND PROVISIONS		109,549	100,570
		=====	=====

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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BALANCE SHEET AS AT 31ST MARCH 1992 (CONTD.)

	Notes	<u>1992</u> £	<u>1991</u> £
FINANCED BY			
Housing property finance			
Loans repayable after one year			
Housing Association Grant Assisted			
Scheme	9	15,392	18,111
Members contribution	10	38	38
Accumulated surplus	11	94,119	82,421
		-----	-----
		109,549	100,570
		=====	=====

The accounts were approved by the
Executive Committee on14.7.... 1992

M. Hill Acting - CHAIRMAN

M. P. Legood - SECRETARY

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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STATEMENT OF HOUSING ADMINISTRATION COSTS YEAR ENDED 31ST MARCH 1992

HOUSING ACCOMMODATION	<u>Total</u> £
MANAGEMENT	
Management costs	
Voluntary management services	(7,989)
Other management costs	(2,920)
Maximum management allowances	10,909

Costs under maximum allowances	-
	=====
CURRENT MAINTENANCE	
Current maintenance costs	527
Maximum current maintenance allowances	4,060

Costs under maximum allowances	4,587
	=====
TOTAL MAINTENANCE COSTS	
Current maintenance costs	527
Cyclical maintenance costs	9,379

Total maintenance costs	9,906
	=====
TOTAL MAINTENANCE ALLOWANCES	
Maximum current maintenance allowances	4,060
Maximum cyclical maintenance allowances	1,064

Total maximum maintenance allowances	5,124
	=====
Total costs (under)/over maximum allowance	4,782
	=====

NOTES TO THE ACCOUNTS 31ST MARCH 1992

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 and 1989 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 March 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.

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 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 a property but repayment will normally be restricted to net proceeds of sale.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

2. ACCOUNTING POLICIES (CONTD)

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 the 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.

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 day 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 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.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

2. ACCOUNTING POLICIES (CONTD)

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 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.

Depreciation is charged at 10% p.a. on cost.

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 works including major repairs for which HAG will not be claimed. Provision is made for cyclical repairs [at the rate of £1,500 p.a. in 1992 (1991 - £1,000)], and for major repairs [at the rate of £4,000 p.a. (1991 £2,500)]. The Society has no Rent Surplus Fund, because it operates only hostel accommodation, and thus there is no contribution to major repairs.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

2. ACCOUNTING POLICIES (CONTD)

2.12. Other provisions.

Where it is considered that other anticipated future 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.

2.14. Stocks

These comprise catering (and oil or 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 rate relief up until 31st March 1992. 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.

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

2. ACCOUNTING POLICIES (CONTD)

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

	<u>1992</u> £	<u>1991</u> £
COST - COMPLETED SCHEMES		
At 31st March 1991 and 31st March 1992	109,737 =====	109,737 =====
The net book value was financed by		
HOUSING ASSOCIATION GRANT (Note 10)	29,809 =====	29,309 =====
PROPERTY EQUITY ACCOUNT		
At 31st March 1992 and 31st March 1991	19,184 =====	19,814 =====
NET BOOK AMOUNT AT 31ST MARCH 1992	60,744 =====	60,744 =====

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

	<u>1992</u> £	<u>1991</u> £
4. FIXTURES, FITTINGS & EQUIPMENT		
COST		
At 1st April 1991	45,974	45,334
Additions	854	640
	-----	-----
At 31st March 1992	46,828	45,974
	=====	=====
DEPRECIATION		
At 1st April 1991	41,229	36,633
Charged in year	4,683	4,596
	-----	-----
At 31st March 1992	45,912	41,229
	=====	=====
NET BOOK AMOUNT AT 31ST MARCH 1992	916	4,745
	=====	=====
5. DEBTORS AND PREPAYMENTS		
Payments in advance and accruals	1,185	524
	=====	=====
6. CREDITORS & ACCRUALS		
Lending Authorities - HAG assisted schemes	2,220	2,220
Accruals	4,215	5,458
	-----	-----
	6,435	7,678
	=====	=====

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

	<u>1992</u> £	<u>1991</u> £
7. PROVISION - FUTURE CYCLICAL REPAIRS		
At 1st April 1991	13,098	15,000
Expenditure during year	(9,379)	(2,902)
Charged to hostel property revenue account	1,500	1,000
	-----	-----
At 31st March 1992	5,219	13,098
	=====	=====
8. PROVISION - MAJOR REPAIRS		
At 1st April 1991	11,863	15,000
Expenditure during year	-	(5,637)
Charged to hostel property revenue account	4,000	2,500
	-----	-----
At 31st March 1992	15,863	11,863
	=====	=====
9. HOUSING PROPERTY FINANCE		
Mortgage Loans, HAG assisted schemes		
Completed properties	15,392	18,111
	=====	=====

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, if 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.

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

£

11. ACCUMULATED SURPLUS - GENERAL INCOME AND
EXPENDITURE ACCOUNT

At 31st March 1991, as previously reported
Surplus for the year

82,421
11,698

At 31st March 1992

94,119
=====

THE ABBEYFIELD (CHALFONTS) SOCIETY LIMITED

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NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

	<u>1992</u> £	<u>1991</u> £
12. CONTINGENT LIABILITIES		
There were contingent liabilities at 31st March 1992 and 1991 amounting to	NIL =====	NIL =====
13. EMPLOYEES		
Employee costs		
Salaries & wages	11,473	17,305
Social Security costs	878	1,060
	-----	-----
	12,351	18,365
	=====	=====
	Number	
	<u>1992</u>	<u>1991</u>
Average weekly number of persons employed during year		
Hostel staff	3 ===	3 ===
14. PAYMENT TO MEMBERS, COMMITTEE MEMBERS OFFICERS, ETC.		
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	£5,139 =====	£ 246 =====
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 =====

NOTES TO THE ACCOUNTS (CONTD) 31ST MARCH 1992

15. AMOUNTS WITHDRAWN FROM PROVISIONS

There were no material amounts (1991 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>1992</u>	<u>1991</u>	<u>1992</u>	<u>1991</u>
	£	£	£	£
HOSTEL ACCOMMODATION				
At 31st March 1992				
Hostel accommodation				
- Number of bed spaces	NIL	NIL	14	14
	===	===	==	==