

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

31ST DECEMBER 2003

REGISTERED NUMBER:

1086377

PRYOR BEGENT FRY & CO.

Chartered Accountants & Registered Auditor



THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

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THE ABBEY FIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

LEGAL & ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31ST DECEMBER 2003

Constitution

The Abbeyfield Camborne Society is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity Number 268826. Company Number 1086377. It has no share capital and the liability of each member in the event of winding up is limited to £1.

Directors & Trustees

The directors of the company (a charity) are its trustees for the purpose of charity law and in this report are referred to as trustees.

Trustees serving during 2003 and since the year were:

J.H. Prisk - President

C.T. Harvey - Chairman Executive and Treveor House Committee

A. Harbard - Vice Chairman and Chairman Sidlands House Committee

D.J. Mead - Treasurer

Mrs. H.M. Broom

Mrs. D.B. Harbard

Mrs. M. Mead

Mrs. C.V. Old

Mrs. F. Rutter (does not seek re-election at the annual general meeting)

Mr. J. Buddle

Mrs. J. Radmore

Registered Office

Sidlands, Pendarves Road, Camborne, Cornwall, TR14 7QE.

Auditors

Pryor, Begent Fry & Co. 13-15 Commercial Road, Hayle, Cornwall, TR27 4DE.

Bankers

Current Account - HSBC PLC, 45 Commercial Street, Camborne, Cornwall, TR14 8AX.

Deposit Account - CAF, Kingsmill, West Malling, Kent, ME19 4TA.

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31ST DECEMBER 2003

General

The trustees present their report and the financial statements of the charity for the year ended 31st December 2003. The legal and administrative information on page 1 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities published in October 2000.

Object of the Charity

The object is to provide accommodation and services for lonely and elderly people in accordance with the principles of the Abbeyfield Society Limited to which the charity is affiliated. These activities fall wholly within hostel housing activities as defined in the Housing Act 1996.

Organisation

Trustees are elected for a three year period and may be re-elected. They meet six times a year, delegating the day-to-day operation of the charity's two houses to house committees.

Company and charity law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit for the period, ensuring that they have:

- . selected suitable accounting policies and applied them consistently;
- . made judgements and estimates that are reasonable and prudent;
- . stated whether applicable accounting standards have been followed, subject to any departures disclosed and explained: and
- . prepared the financial statements on the going concern basis.

Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985.

Trustees are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees have assessed major risks to which the charity is exposed, in particular those related to its operation and finances and are satisfied that systems are in place to mitigate exposure to these risks. These will be kept under regular review.

Review of Activities and Future Developments

The charity owns two houses with a total of 16 rooms for exclusive use of individual residents in addition to common rooms. Most of these rooms have en suite facilities and when opportunities arise, more such facilities are planned and further access improvements.

The staff are devoted to ensuring care for the residents and they are supported by volunteers who give freely much time and effort to maintain 'happy houses'. All deserves credit and praise.

Although both houses were almost fully occupied for the year, substantial necessary repairs led to a deficit being incurred which would not otherwise have happened. There would be a direct loss of £4000 p.a. for any room not occupied. A number of residents have been financed through "Supporting People" for the first time.

Investment Powers

Its memorandum of association empowers the charity to make any investment as may be thought fit. Funds surplus to immediate requirements are currently being invested in a CAF Gold account at a rate of 3.0%, with no notice for withdrawals.

Reserves Policy

Trustees have examined the requirements for free cash reserves which are unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. They consider that this should be re-examined in the light of the revenue and capital budget, ensuring that the cash reserve aim is enough to cover known capital and exceptional revenue expenditure, plus 4 months average normal revenue expenditure. As at 1st January 2004, this would have required £34,000.

Auditors

Pryor Begent Fry & Co. have signified that they do not wish to continue in office and a resolution to reappoint them as auditors will therefore not be proposed at the forthcoming annual general meeting.

Approved by the trustees and signed on their behalf:

.....
C.T. Harvey

REPORT OF THE AUDITORS TO THE MEMBERS OF
THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described on page 2 the trustees 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. It is also our responsibility to report to you if in our opinion the charity has not maintained a satisfactory system of control.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practice 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 trustees in the preparation of financial statements and of whether the accounting policies are appropriate to the charity'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 state of the charity's affairs as at 31st December 2003 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 Act 1996, the Registered Social Landlords 2000 Accounting Determination (as amended) and the Charities Act 1993.

13-15 Commercial Road, Hayle, Cornwall.

Date:

10th June 2004

Prior, Begent, Fry & Co.
PRIOR BEGENT FRY & CO.

Chartered Accountants &
Registered Auditor.

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST DECEMBER 2003

	Notes	Unrestricted Funds 2003 £	Unrestricted Funds 2002 £
<u>INCOMING RESOURCES</u>			
Legacies & Donations		65	1009
Activities in furtherance of the charity's objects:			
Residential charges	2	86475	86047
Investment income; Interest receivable	12	698	719
<u>TOTAL INCOMING RESOURCES</u>		<u>87238</u>	<u>87775</u>
<u>RESOURCES USED</u>			
Costs of activities in furtherance of the charity's objects:			
Operating costs		84724	67545
Administrative costs	13	4648	4743
<u>TOTAL RESOURCES EXPENDED</u>		<u>89372</u>	<u>72288</u>
<u>NET INCOME/(DEFICIT) FOR THE YEAR</u>		<u>(2134)</u>	<u>15487</u>
<u>NET MOVEMENT IN FUNDS</u>		(2134)	15487
<u>TOTAL FUNDS BROUGHT FORWARD</u>		<u>163278</u>	<u>147791</u>
<u>TOTAL FUNDS CARRIED FORWARD</u>		<u>161144</u>	<u>163278</u>

The charity's turnover and expenses all relate to continuing operations. The charity has no recognised gains or losses other than the surplus for the year.

Approved by the trustees on

.....*C.T. Harvey*.....
C.T. Harvey
Chairman

and signed on their behalf by:

.....*D.J. Mead*.....
D.J. Mead
Trustee

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

BALANCE SHEET

AS AT 31ST DECEMBER 2003

	<u>Notes</u>	<u>Unrestricted Funds 2003</u>	<u>Unrestricted Funds 2002</u>
		£	£
<u>TANGIBLE FIXED ASSETS</u>			
Freehold interest in housing properties - gross cost	7	243465	243465
Housing association grant	1e	119124	119124
		<hr/>	<hr/>
		124341	124341
Fixtures, fittings & equipment		1851	2192
		<hr/>	<hr/>
		126192	126533
 <u>CURRENT ASSETS</u>			
Debtors	7	6603	1781
Cash at bank & in hand	11	34685	36749
		<hr/>	<hr/>
		41288	38530
 <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	9	6336	1785
		<hr/>	<hr/>
<u>NET CURRENT ASSETS</u>		34952	36745
<u>NET ASSETS</u>			
<u>TOTAL ASSETS LESS</u>			
<u>CURRENT LIABILITIES</u>		£ 161144	£ 163278
		<hr/>	<hr/>
 <u>REPRESENTED BY:</u>			
<u>TOTAL UNRESTRICTED FUNDS</u>		£ 161144	£ 163278
		<hr/>	<hr/>

Approved by the trustees on:

.....*C.T. Harvey*.....
C.T. Harvey
Chairman

and signed on their behalf by:

.....*D.J. Mead*.....
D.J. Mead
Trustee

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

CASHFLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2003

	<u>Notes</u>	<u>2003</u>		<u>2002</u>	
		£	£	£	£
<u>NET CASH INFLOW/(OUTFLOW)</u> <u>FROM OPERATING ACTIVITIES</u>	10		(2827)		14545
<u>LEGACIES & DONATIONS</u> <u>RECEIVED</u>			65		1009
<u>RETURN ON INVESTMENTS AND</u> <u>SERVICING OF FINANCE</u>					
Interest Received		698		719	
Interest Paid		—		—	
<u>NET CASH INFLOW FROM RETURNS</u> <u>ON INVESTMENTS AND SERVICING</u> <u>OF FINANCE</u>			698		719
<u>INVESTING ACTIVITIES</u>					
Purchase of fixed assets			—		(1895)
<u>NET CASH INFLOW/(OUTFLOW)</u> <u>BEFORE FINANCING</u>			(2064)		14378
<u>FINANCING</u>					
Loan principal repayments			—		—
<u>INCREASE/(DECREASE) IN CASH</u> <u>AND CASH EQUIVALENTS</u>	11		(2064)		14378

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2003

1. ACCOUNTING POLICIES

(a) Accounting Convention

The financial statements are prepared under the historical cost convention.

(b) Incoming Resources

Turnover represents income receivable from residents for accommodation and services.

(c) Resources Expended

These are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT, which cannot be recovered because the charity is not registered.

(d) Tangible Fixed Assets

Depreciation is calculated to write off the cost of fixtures, fittings and equipment on a straight line basis over their useful lives, which is estimated to be 10 years.

Housing properties are maintained to such a standard that their estimated residual value is not less than their cost. Therefore, no depreciation is charged.

(e) Housing Association Grant (HAG)

HAG is repayable under certain circumstances, primarily following the sale of a property, but will normally be restricted to net proceeds of sale.

The Statement of Recommended Practice (SORP) for registered housing associations over-rides the requirements of SSAP4. The grant received has been deducted from the cost of fixed assets and not treated as deferred income.

2. TURNOVER

	<u>2003</u>	<u>2002</u>
	£	£
Income receivable from residents for accommodation and services	88266	86797
Losses arising from vacancies and absences	1791	750
	<hr/>	<hr/>
	86475	86047
	<hr/>	<hr/>

No income is derived from special needs accommodation or shared ownership accommodation.

3. AVAILABILITY OF ACCOMMODATION

	<u>2003</u>	<u>2002</u>
Units available for occupation	16	16
	<hr/>	<hr/>

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2003

4.	<u>NET INCOME FOR THE YEAR</u>	<u>2003</u>	<u>2002</u>
		£	£

This is stated after
charging:

Depreciation	341	818
Auditor's remuneration:		
In their capacity as auditors	329	319
In respect of other services	593	574

5.	<u>STAFF COSTS AND EMOLUMENTS</u>	<u>2003</u>	<u>2002</u>
		£	£

Wages and salaries	29551	26398
Social security costs	937	797
	<u>30488</u>	<u>27195</u>

Average number of persons
employed during the year

	<u>5.5</u>	<u>5.5</u>
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There were no employees with emoluments above £50,000 p.a. in either year.

6.	<u>TRUSTEES EMOLUMENTS</u>	<u>2003</u>	<u>2002</u>
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Total expenses reimbursed to one
trustee, but not chargeable
to United Kingdom income tax
(2002 - two trustees)
(re: travelling expenses)

	<u>66</u>	<u>304</u>
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No emoluments were received by any trustee in either year.

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2003

7.	<u>TANGIBLE FIXED ASSETS</u>	<u>Freehold housing properties</u>	<u>Fixtures fittings & equipment</u>	<u>Total</u>
		£	£	£
	<u>COST</u>			
	At 1st January 2003	243465	13491	256956
	Additions	-	-	-
	Disposals	-	-	-
		<hr/>	<hr/>	<hr/>
	At 31st December 2003	243465	13491	256956
		<hr/>	<hr/>	<hr/>
	<u>HOUSING ASSOCIATION GRANT</u>			
	At 1st January 2003 and 31st December 2003	119124	-	119124
		<hr/>	<hr/>	<hr/>
	<u>DEPRECIATION</u>			
	At 1st January 2003	-	11299	11299
	Charge for year	-	341	341
	Eliminated in respect of disposals	-	-	-
		<hr/>	<hr/>	<hr/>
		-	11640	11640
		<hr/>	<hr/>	<hr/>
	<u>NET BOOK VALUE</u>			
	At 31st December 2003	124341	1851	126192
		<hr/>	<hr/>	<hr/>
	At 31st December 2002	124341	2192	126533
		<hr/>	<hr/>	<hr/>
8.	<u>SHORT TERM DEBTORS</u>		<u>2003</u>	<u>2002</u>
	Prepayments		6603	1775
	Accrued income		-	6
			<hr/>	<hr/>
			6603	1781
			<hr/>	<hr/>
There were no rent arrears at 31st December 2002 or 31st December 2003.				
9.	<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>		<u>2003</u>	<u>2002</u>
	Trade creditors		4738	893
	Accruals		1598	892
			<hr/>	<hr/>
			6336	1785
			<hr/>	<hr/>

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2003

	<u>2003</u> £	<u>2002</u> £
10. <u>RECONCILIATION OF OPERATING SURPLUS</u> <u>TO NET CASH INFLOW FROM OPERATING</u> <u>ACTIVITIES</u>		
Net income/(deficit) for the year excluding interest received and legacy	(2897)	13759
Depreciation	341	818
(Increase)/Decrease in debtors	(4822)	(31)
Income/(Decrease) in creditors	4551	(1)
	<u>(2827)</u>	<u>14545</u>
11. <u>ANALYSIS OF CHANGES IN CASH</u> <u>AND CASH EQUIVALENTS</u>	<u>2003</u>	<u>2002</u>
Balance at 1st January 2003	36749	22371
Net Cash Inflow/(Outflow)	(2064)	14378
	<u>34685</u>	<u>36749</u>
Balance consisting of:		
CAF deposit account	16185	15690
HSBC current account	18494	21053
Cash in hand	6	6
	<u>34685</u>	<u>36749</u>
12. <u>INTEREST RECEIVABLE</u>		
CAF deposit account (average rate 2003 - 3.1%)	494	523
HSBC current account (average rate 2003 - 1.0%)	193	190
Other	11	-
	<u>698</u>	<u>713</u>
13. <u>ADMINISTRATIVE COSTS</u>		
Affiliation fee	2898	2837
Auditor's remuneration	922	893
Bank charges	73	74
Sundry expenses	755	939
	<u>4648</u>	<u>4743</u>

THE ABBEYFIELD CAMBORNE SOCIETY (LIMITED BY GUARANTEE)

DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2003

	Treveor £	2003 Sidlands £	Total £	Treveor £	2002 Sidlands £	Total £
<u>TURNOVER</u>						
Residential charges	<u>40181</u>	<u>46294</u>	<u>86475</u>	<u>41080</u>	<u>44967</u>	<u>86047</u>
<u>OPERATING COSTS</u>						
Services:						
Wages	15082	15406	30488	13052	14143	27195
Food and cleaning	9044	11437	20481	9213	11335	20548
Water rates and council tax	1751	1344	3095	1832	2679	4511
Heat and light	2046	1719	3765	2044	2051	4095
Insurance	814	892	1706	747	818	1565
Telephone	355	382	737	245	402	647
Sundry	2855	2216	5071	2020	2009	4029
Depreciation	<u>179</u>	<u>162</u>	<u>341</u>	<u>595</u>	<u>223</u>	<u>818</u>
	<u>32126</u>	<u>33558</u>	<u>65684</u>	<u>29748</u>	<u>33660</u>	<u>63408</u>
Day to day repairs:						
Property	13944	4261	18205	2715	1422	4137
Furnishings and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>13944</u>	<u>4261</u>	<u>18205</u>	<u>2715</u>	<u>1422</u>	<u>4137</u>
Cyclical repairs	<u>-</u>	<u>835</u>	<u>835</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>SURPLUS BEFORE ADMINISTRATIVE COSTS</u>	<u>(5889)</u>	<u>7640</u>	<u>1751</u>	<u>8617</u>	<u>9885</u>	<u>18502</u>
<u>ADMINISTRATIVE COSTS</u>						
Affiliation fee			2898			2837
Auditor's remuneration			922			893
Bank charges			73			74
Sundry expenses			<u>755</u>			<u>939</u>
			<u>4648</u>			<u>4743</u>
<u>OPERATING SURPLUS/(DEFICIT)</u>			<u>£ (2897)</u>			<u>£ 13759</u>