

Registered number 1108309

Charity Registration Number 266471

The Abbeyfield Buckland Monachorum Society Limited
(A Company limited by guarantee without a share capital)

Report and Accounts

for the year ended

30 September 2011

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The Abbeyfield Buckland Monachorum Society Limited
Report and accounts
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Abbeyfield Buckland Monachorum Society Limited
Directors' Report
for the year ended 30 September 2011

The Directors present their report and unaudited financial statements for the year ended 30th September 2011

Principal Activity

The principal activity of the company is to provide accommodation, care and companionship for elderly people in accordance with the aims and principles of the Society. This activity falls wholly within the hostel housing activities in the Housing Act 2004.

Status

The company is

A company limited by guarantee number 1108309 having no share capital and with solely charitable objectives. Its registered office is at 25 Lockyer Street, Plymouth, Devon PL1 2QW.

Registered as a charity number 266471

Registered with the Housing Corporation as a Registered Social Landlord, number H1335

Audit Requirement

The 2004 Housing Act enacted amendments to the 1996 Act, which now allows exemptions from audit for Registered Social Landlords meeting certain criteria.

The Board of Directors are of the opinion that the company meets those exemption criteria for this year and, hence, no audit has been carried out.

Review of business and results during the year

The Board's policy is to maintain the buildings and services to a high standard taking due account of Health and Safety regulations and risk assessments etc.

As experienced in recent years, increasingly lower occupancy levels were the main cause of incurring the deficit in the past financial year, growing from £3,395 in the previous year to £8,322.

Income from residents was static despite above-inflation increases and a legacy was kindly received from a former resident.

Expenditure was controlled wherever possible (without affecting the quality of service to residents) especially in regard to restricting capital expenditure and major maintenance work so as to minimise the overall financial deficit and cash outflow. However, there was an increase in Staff Costs to cover for higher sickness levels and the full year effect of additional hours to provide support to our increasingly aged residents. Membership fees increased substantially (mainly mandatory charges from Abbeyfield HQ) as did minor Repairs. The increase in Officers Allowance resulted from full year costs for some officers for the first time.

Payments made during the year reduced the Property Mortgage balance by £5,437 and this has been transferred, as usual, to the Property Equity Reserve which now stands at £277,243.

The Society continues to have more than adequate cash resources to cover deficits of this scale for a number of years. However, the Society is working in tandem with Abbeyfield UK on generating improvements by providing development plans for the future style of accommodation, in line with their proven experience, to be offered by the Society, so as to remedy the current adverse financial issues caused by low occupancy. Additionally, our own website is generating a higher level of interest from potential new residents.

Society members take great pains to oversee the care and morale of both residents and staff and all continue to express their appreciation of a well run home whilst levying extremely reasonable charges.

Fixed Assets

Details of cost and depreciation of fixed assets are set out in the notes. In the opinion of the Board of Directors the market value of land and buildings is in excess of £800,000.

Abbeyfield Buckland Monachorum Society Limited
Directors' Report Contd.
for the year ended 30 September 2011

Membership

The number of members of the Society at 30th September 2011 was 21, but it has been established with Companies House that only the 5 members of the Executive Committee shall constitute the Board of Directors as nominated below

Board of Directors

The members of the Board who served during the year were

Mr K Farnham	Chairman
Mrs D Crichton	Chairman - House Committee
Mrs R Kehoe	Secretary
Mr C Reid	Resigned 31st January 2011
Mr A Chilvers	Honorary Treasurer

Other officers

Mr J Hall	Company Secretary
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Statement of Directors' responsibilities

The Directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these accounts, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

Accountants

A resolution to reappoint Simon Murray & Co as reporting accountants will be proposed at the Annual General Meeting

BY ORDER OF THE BOARD OF DIRECTORS

J Hall

Company Secretary

30 November 2011

Abbeyfield Buckland Monachorum Society Limited
Chartered Accountants' Report
for the year ended 30 September 2011

Chartered Accountants' Report to the Board of Directors
on the unaudited accounts of Abbeyfield Buckland Monachorum Society Limited

In accordance with the engagement letter dated 24th November 2006, and in order to assist you to fulfil your duties under the Companies Act 2006, and the Housing Act 2004, we have compiled the accounts of the company which comprise the Income and Expenditure Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Company and the Company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of accounts.

You have acknowledged in the Directors' Report your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 2006. You consider that the company is exempt from the statutory requirement for an audit for the year.

Having reviewed all the statutory legislation applicable to the company we can confirm, that in our opinion the company is exempt from audit and accordingly we have not been instructed to carry out an audit of the accounts, and therefore an audit has not been carried out.

However we can confirm that the accounts comply with the Housing Corporation's requirements under the Housing Act 2006, that the accounts are in agreement with the accounting records kept by the company under the Act, and that having regard only to, and on the basis of, the information in those accounting records, the accounts have been drawn up in a manner consistent with the provisions of the Act.

Simon Murray & Co
Chartered Accountants

Woburn House
Yelverton
Devon
PL20 6BS

01 December 2011

The Abbeyfield Buckland Monachorum Society Limited
Income and Expenditure Account
for the year ended 30 September 2011

	Notes	2011 £	2010 £
Turnover	2	66,504	64,155
Administrative expenses		(74,252)	(66,943)
Operating Deficit	3	<u>(7,748)</u>	<u>(2,788)</u>
Interest receivable		350	342
Interest payable	6	<u>(924)</u>	<u>(949)</u>
Deficit on ordinary activities before taxation		<u>(8,322)</u>	<u>(3,395)</u>
Tax on surplus on ordinary activities (See Note 1 on page 7)		-	-
Deficit for the financial year		<u>(8,322)</u>	<u>(3,395)</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the deficit for the above two financial years

The Abbeyfield Buckland Monachorum Society Limited
Balance Sheet
as at 30 September 2011

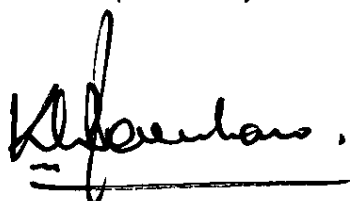
	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	7	323,224	324,514
Current assets			
Charities deposit fund		46,835	60,485
Cash at bank and in hand		<u>1,965</u>	<u>977</u>
		48,800	61,462
Creditors, amounts falling due within one year	8	(7,470)	(6,163)
Net Current Assets		<u>41,330</u>	<u>55,299</u>
Total assets less current liabilities		<u>364,554</u>	<u>379,813</u>
Creditors, amounts falling due after more than one year	9	(36,824)	(43,761)
Net Assets		<u>327,730</u>	<u>336,052</u>
Capital and reserves			
Property Equity reserve	11	277,243	271,806
General fund	12	50,487	64,246
	13	<u>327,730</u>	<u>336,052</u>

The Directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that the members have not required the company to obtain an audit in accordance with section 476 of the Act

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime

K Farnham
Director



Approved by the board on 30 November 2011

The Abbeyfield Buckland Monachorum Society Limited
Cash Flow Statement
for the year ended 30 September 2011

	Notes	2011 £	2010 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating Deficit		(7,748)	(2,788)
Depreciation charges		1,910	1,801
Decrease in Creditors		(5,630)	(6,479)
Net cash outflow from operating activities		<u>(11,468)</u>	<u>(7,466)</u>
CASH FLOW STATEMENT			
Net cash outflow from operating activities		(11,468)	(7,466)
Returns on investments and servicing of finance	14	(574)	(607)
Capital expenditure	14	(620)	(11,842)
Decrease in cash		<u>(12,662)</u>	<u>(19,915)</u>
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the period		(12,662)	(19,915)
Net funds at 1st October		61,462	81,377
Net funds at 30th September		<u>48,800</u>	<u>61,462</u>

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
for the year ended 30 September 2011

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards, and the Statement of Recommended Practice published by the National Federation of Housing Associations, the Accounting Requirements for Registered Social Landlords General Determination 2000, and the revised Statement of Recommended Practice for Charities (SORP) 2008

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Freehold buildings	Nil
Furniture and Equipment	Over 5 years

Reserves

The property equity reserve is maintained at a figure which represents the book value of the house and land (less Social Housing Grant), and less the outstanding balance due on the mortgage

The income and expenditure account general fund represents accumulated surpluses less any transfers to the property equity reserve

Taxation

Under the provisions of the ITA 2007 CTA 2010, the company is exempt from corporation tax on income and surpluses, where these are applied for charitable purposes. In the opinion of the Directors all income and surpluses of the Society fall within the above exemptions and therefore no liability to corporation tax will arise

The company is not registered for VAT purposes and consequentially all income and expenditure is stated gross of Value Added Tax

Cyclical maintenance

It is the opinion of the Board of Directors that no provision will be required for future cyclical maintenance or repairs in the medium to long term, in view of the continuing annual repair and maintenance programme already carried out

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
for the year ended 30 September 2011

Freehold Property, The Social Housing Grant and Reserves

No depreciation is charged on the land. The buildings are maintained in a state of repair such that their estimated residual value at the Balance Sheet date is not less than their cost, less the social housing grant. An annual charge for depreciation would therefore be immaterial. In addition the remaining economic useful life exceeds 50 years.

All capital expenditure on land and buildings is shown at cost, and grants received towards the cost thereof are shown separately. The cost comprises the purchase price and the incidental costs of acquisition. No amount of capitalised interest is included thereon. Assets donated to the company are not included in the balance sheet.

The net book value of the freehold property is reduced by the amount of the Social Housing Grant received, which is shown separately in the freehold property note. This is in contravention of the Companies Act 2006. This departure has been made in order to comply with SORP 2008, and with the overriding requirement of the General Determination 2000, and the Companies Act, for accounts to be prepared which show a true and fair view.

The Social Housing Grant will become repayable if the property should be sold in the future. If this eventuality arises the grant becomes an unsecured liability.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. No liability arises at the year end.

2 Turnover, Interest receivable (and similar income) and Expenditure

Turnover represents the residential charges, and other related income, including supporting people funding, if applicable, on a receipts basis.

All expenditure has been charged on an accruals basis.

3 Operating surplus	2011	2010
	£	£
This is stated after charging		
Depreciation of owned fixed assets	<u>1,910</u>	<u>1,801</u>
4 Residential Charges	2011	2010
	£	£
Nominal total charges receivable	90,660	82,620
Losses from vacancies 28.1% (2010-22.6%)	<u>(26,594)</u>	<u>(18,655)</u>
Net receipts from charges 71.9% (2010-77.4%)	<u>64,066</u>	<u>63,965</u>

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
for the year ended 30 September 2011

5 Staff costs	2011 £	2010 £
Wages and salaries	32,580	27,657
Social security costs	1,504	1,220
Other pension costs	420	420
	<u>34,504</u>	<u>29,297</u>

Average number of employees during the year	Number	Number
Full time	1	1
Part time	2.5	2.5
	<u>3.5</u>	<u>3.5</u>

6 Interest payable	2011 £	2010 £
Mortgage interest	<u>924</u>	<u>949</u>

7 Tangible fixed assets	Freehold land £	Freehold property for letting £	Furniture and equipment £	Total £
Cost				
At 1 October 2010	35,000	284,567	40,136	359,703
Additions	-	-	620	620
At 30 September 2011	<u>35,000</u>	<u>284,567</u>	<u>40,756</u>	<u>360,323</u>
Depreciation				
At 1 October 2010	-	-	35,189	35,189
Charge for the year	-	-	1,910	1,910
At 30 September 2011	<u>-</u>	<u>-</u>	<u>37,099</u>	<u>37,099</u>
Net book value				
At 30 September 2011	<u>35,000</u>	<u>284,567</u>	<u>3,657</u>	<u>323,224</u>
At 30 September 2010	<u>35,000</u>	<u>284,567</u>	<u>4,947</u>	<u>324,514</u>

The Freehold property for letting cost of £284,567 is net of a Social Housing grant received of £38,000

8 Creditors amounts falling due within one year	2011 £	2010 £
Mortgage capital outstanding	5,500	4,000
Accruals and deferred income	1,970	2,163
	<u>7,470</u>	<u>6,163</u>

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
for the year ended 30 September 2011

9 Creditors amounts falling due after one year	2011	2010
	£	£
Mortgage capital outstanding	<u>36,824</u>	<u>43,761</u>

10 Analysis of Mortgage Debt	2011	2010
	£	£
Analysis of maturity of debt		
Within one year or on demand	5,500	4,000
Between one and two years	5,500	5,000
Between two and five years	14,000	13,000
After five years	<u>17,324</u>	<u>25,761</u>
	<u>42,324</u>	<u>47,761</u>

The mortgage is with the Nationwide Building Society, under the Small Housing Associations Initiative, and is secured by a charge on the freehold property. It is a repayment mortgage, repayable over 25 years from December 1993. It is repayable as noted above.

11 Property Equity Reserve	2011	2010
	£	£
At 1 October	271,806	256,919
Transfer from the income and expenditure account (See note 12 below)	5,437	14,887
At 30 September	<u>277,243</u>	<u>271,806</u>

The property equity reserve has not been combined with the general fund as recommended by the Statement of Recommended Practice issued by the National Federation of Housing Associations as the Directors wish to keep the two separate, so that the general fund only represents funds available to meet excess operating costs.

12 General Fund	2011	2010
	£	£
At 1 October	64,246	82,528
Deficit for the financial year	(8,322)	(3,395)
Transfer to property equity reserve	(5,437)	(14,887)
At 30 September	<u>50,487</u>	<u>64,246</u>

13 Reconciliation of movement in capital & reserves	2011	2010
	£	£
At 1 October	336,052	339,447
Deficit for the financial year	<u>(8,322)</u>	<u>(3,395)</u>
At 30 September	<u>327,730</u>	<u>336,052</u>

The Abbeyfield Buckland Monachorum Society Limited
Notes to the Accounts
for the year ended 30 September 2011

14 Gross cash flows	2011	2010
	£	£
Returns on investments and servicing of finance		
Interest received	350	342
Interest paid	(924)	(949)
	<u>(574)</u>	<u>(607)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	<u>(620)</u>	<u>(11,842)</u>

15 Analysis of changes in net debt	At 1 Oct 2010	Cash flows	Non-cash changes	At 30 Sep 2011
	£	£	£	£
Cash at bank and in hand	61,462	(12,662)	-	48,800
Total	<u>61,462</u>	<u>(12,662)</u>	<u>-</u>	<u>48,800</u>

16 Accommodation in management	2011	2010
	£	£
Number of Bed Spaces for full time residents	9	9
Number of Bed Spaces for residents guests	1	1
	<u>10</u>	<u>10</u>

17 Related party transactions

The Directors of the company benefit from indemnity insurance to cover any liability resulting from any negligence, default or breach in their duty. The premium previously paid for by Abbeyfield HQ is now paid by the Society.

18 Controlling party

The controlling party is the appointed Board of Directors/Trustees who meet on a regular basis to manage the charitable company.

The Abbeyfield Buckland Monachorum Society Limited
Income and Expenditure Account
for the year ended 30 September 2011
for the information of the directors only

	2011 £	2010 £
Income		
Net residential charges	64,066	63,965
Legacy	2,000	-
Income from guest room, garage etc	438	190
Total income	<u>66,504</u>	<u>64,155</u>
Less. Expenditure		
House Operational Costs		
Staff costs	34,504	29,297
Food and other household costs	10,571	11,021
Garden	1,734	1,466
Water	2,020	1,748
Council tax	2,163	2,143
Gas	2,574	2,738
Electricity	2,028	2,145
Other expenditure	1,164	1,357
Insurances	1,501	1,665
24 Hour Call System	773	719
Cleaning	1,582	1,770
	<u>60,614</u>	<u>56,069</u>
General administrative expenses		
Telephone and fax	530	441
Expenses and advertising	1,271	1,972
Accountants remuneration	1,020	978
Membership and other fees	1,424	614
Repairs and maintenance	4,233	2,622
Depreciation	1,910	1,801
Officers' allowances	3,250	2,446
	<u>13,638</u>	<u>10,874</u>
Total expenditure	<u>74,252</u>	<u>66,943</u>
Operating deficit for the year	(7,748)	(2,788)
Interest receivable	350	342
Interest payable	(924)	(949)
Deficit for the year	<u>(8,322)</u>	<u>(3,395)</u>