

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 2014**

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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 2014**

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The Directors present their report and unaudited financial statements for the year ended 30th September 2014.

**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.

It is pleasing to be able to report that the past year saw the first benefits of the development programme, which was started in late 2013, flow through into the accounts, reversing the recent historical losses and creating a financial surplus for the first time in several years. The higher grade offering of large flats and spacious Studios has benefitted revenues substantially through more residential occupancy at increased rentals for the larger space occupied along with a more modern layout and fitments. Due almost solely to increased rental income, the Trading Surplus on Ordinary Activities has been turned around from a Deficit in the previous year of £14,752 to a Surplus of £13,747. In addition, there has been an exceptional item, being the excess of income over historical cost on a leasehold property sale of £63,192.

The second and final stage of the development programme relating to residential rooms is about to be completed, and the sale of a second leasehold flat was finalised in December 2014; the marketing of the final 2 flats for sale is being actively enhanced. The final stage of the redevelopment relating to general service areas of Pilcher's Field will be commenced in early 2015, subject to the sale of the flats or adequate short-term funding being realised.

Staffing costs have been controlled now that a settled House Manager role has been established; all staff are paid at least the living wage rate. Total overheads were almost identical to the previous year, absorbing the higher volume-related costs such as food, gas and electricity.

A loan from The Abbeyfield Society has been taken out so as to repay the previous mortgage with Nationwide and to fund the development project. It is intended to repay the loan by the end of March 2015, dependent upon the sale of the remaining flats or by securing alternative external funding.

Society members make great efforts to oversee the care and morale of both residents and staff throughout the year. The residents and staff are very grateful for the ambience and support given to them and the thanks of the Board go to all involved with the Society for their tolerance of the inevitable disturbance during the building works required to enhance the experience and to secure the long term future of Pilcher's Field.

**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 estimated to be £1,353,500.

**Abbeyfield Buckland Monachorum Society Limited**  
**Directors' Report Contd.**  
**for the year ended 30 September 2014**

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**Membership**

The number of members of the Society at 30th September 2014 was 19, 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	Chairperson - House Committee
Mrs R Kehoe	
Mr A Chilvers	Honorary Treasurer
Mrs M H Landers	Executive Committee Secretary (Appointed 27.1.14)

**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**

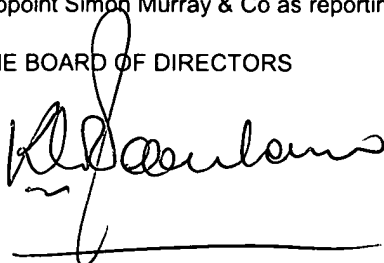
A resolution to reappoint Simon Murray & Co as reporting accountants will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD OF DIRECTORS

K Farnham

Director

29 January 2015



**Abbeyfield Buckland Monachorum Society Limited**  
**Chartered Accountants' Report**  
**for the year ended 30 September 2014**

**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

30 January 2015

**The Abbeyfield Buckland Monachorum Society Limited**  
**Income and Expenditure Account**  
**for the year ended 30 September 2014**

	Notes	2014 £	2013 £
Turnover	2	91,697	64,751
Administrative expenses		(79,279)	(78,066)
<b>Operating Surplus / (Deficit)</b>	3	<u>12,418</u>	<u>(13,315)</u>
Interest receivable		252	108
Interest payable	6		(468)
Interest payable (credit this year-see note)	6	1,077	(1,077)
<b>Surplus / (Deficit) on ordinary activities before taxation</b>		<u>13,747</u>	<u>(14,752)</u>
<b>Exceptional item -</b> (Excess of income over historical cost on leasehold property sale)		63,192	-
Tax on surplus on ordinary activities (See Note 1 on page 7)		-	-
<b>Total Surplus / (Deficit) for the financial year</b>		<u>76,939</u>	<u>(14,752)</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 results for the above two financial years.

**Exceptional item**

During the year the company sold one of the two leasehold flats available for sale, further details of which are shown in note 17.

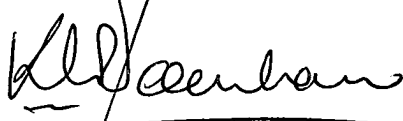
**The Abbeyfield Buckland Monachorum Society Limited**  
**Balance Sheet**  
**as at 30 September 2014**

	Notes	2014 £	2013 £
<b>Fixed assets</b>			
Tangible assets	7	518,160	489,465
<b>Current assets</b>			
Charities deposit fund		42,519	12,270
Cash at bank and in hand		26,317	3,263
		<u>68,836</u>	<u>15,533</u>
<b>Creditors: amounts falling due within one year</b>	8	(212,046)	(206,987)
<b>Net Current Liabilities</b>		<u>(143,210)</u>	<u>(191,454)</u>
<b>Net Assets</b>		<u>374,950</u>	<u>298,011</u>
<b>Capital and reserves</b>			
Property Equity reserve	10	307,510	283,206
General fund	11	67,440	14,805
	12	<u>374,950</u>	<u>298,011</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 29 January 2015

**The Abbeyfield Buckland Monachorum Society Limited**  
**Cash Flow Statement**  
**for the year ended 30 September 2014**

	Notes	2014 £	2013 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating Surplus/(Deficit)		12,418	(13,315)
Depreciation charges		1,360	1,979
Increase/ (Decrease) in Creditors		137	(31,134)
<b>Net cash inflow/(outflow) from operating activities</b>		<u>13,915</u>	<u>(42,470)</u>
<b>CASH FLOW STATEMENT</b>			
<b>Net cash inflow/(outflow) from operating activities</b>		13,915	(42,470)
<b>Returns on investments and servicing of finance</b>	13	1,329	(1,437)
<b>Capital expenditure</b>	13	(73,651)	(167,361)
<b>Capital receipts</b>	13	106,788	-
<b>Increase/(Decrease) in cash</b>		<u>48,381</u>	<u>(211,268)</u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Increase/(decrease) in cash in the period</b>		48,381	(211,268)
<b>Net (debt) funds at 1st October 2013</b>		(187,980)	23,288
<b>Net (debt) / funds at 30th September 2014</b>		<u>(139,599)</u>	<u>(187,980)</u>



**The Abbeyfield Buckland Monachorum Society Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2014**

**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 (and leasehold property when each lease commences) 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
Leasehold Property	Over the length of the lease - but see note above
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 2014**

***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. There are currently no members of this scheme.

**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.

<b>3 Operating Surplus/(Deficit)</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	<u>1,360</u>	<u>1,979</u>
<b>4 Residential Charges</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Nominal total charges receivable	122,938	112,260
Empty Rooms during redevelopment: 14.1% (2013 9.8%)	(17,300)	(11,000)
Losses from vacancies: 12.7% (2013 36.0%)	<u>(15,655)</u>	<u>(40,416)</u>
Net receipts from charges: 73.2% (2013 54.2%)	<u>89,983</u>	<u>60,844</u>

**The Abbeyfield Buckland Monachorum Society Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2014**

<b>5 Staff costs</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Wages and salaries	36,377	32,116
Social security costs	633	3,839
	<u>37,010</u>	<u>35,955</u>

<b>Average number of employees during the year</b>	<b>Number</b>	<b>Number</b>
Full time	1	1
Part time (equivalent full-time)	2	2
	<u>3</u>	<u>3</u>

<b>6 Interest payable</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
The Abbeyfield Society (capitalised as part of additions to property costs)	(1,077)	1,077
Mortgage interest	-	468
	<u>(1,077)</u>	<u>1,545</u>

The mortgage interest paid to the The Abbeyfield Society last year of £1,077, and this year of £5,307 has been capitalised this year as part of additions to property, as it relates directly to the cost of the the leasehold property costs incurred.

**7 Tangible fixed assets**

	<b>Freehold land</b>	<b>Freehold property for letting</b>	<b>Leasehold Property costs</b>	<b>Furniture and equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 October 2013	36,385	400,604	49,730	43,520	530,239
Additions	-	49,538	23,284	829	73,651
Disposals	-	-	(43,596)	-	(43,596)
At 30 September 2014	<u>36,385</u>	<u>450,142</u>	<u>29,418</u>	<u>44,349</u>	<u>560,294</u>
<b>Depreciation</b>					
At 1 October 2013	-	-	-	40,774	40,774
Charge for the year	-	-	-	1,360	1,360
At 30 September 2014	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,134</u>	<u>42,134</u>
<b>Net book value</b>					
At 30 September 2014	<u>36,385</u>	<u>450,142</u>	<u>29,418</u>	<u>2,215</u>	<u>518,160</u>
At 30 September 2013	<u>36,385</u>	<u>400,604</u>	<u>49,730</u>	<u>2,746</u>	<u>489,465</u>

The Freehold property for letting cost of £450,142 is net of a Social Housing grant received of £38,000. The conversion costs attributable to the Leasehold property available for sale are as recorded above.

<b>8 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
The Abbeyfield Society	208,435	203,513
Other taxes and social security costs	340	-
Accruals and deferred income	3,271	3,474
	<u>212,046</u>	<u>206,987</u>

**The Abbeyfield Buckland Monachorum Society Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2014**

<b>9 Analysis of Mortgage Debt</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Analysis of maturity of debt:		
Within one year	<u>208,435</u>	<u>203,513</u>

This mortgage, provided by The Abbeyfield Society, is repayable within one year, and is secured by a charge on the freehold property.

<b>10 Property Equity Reserve</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 October	283,206	284,154
Transfer from the income and expenditure account (See note 11 below)	24,304	(948)
At 30 September	<u>307,510</u>	<u>283,206</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.

<b>11 General Fund</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 October	14,805	28,609
Surplus / (Deficit) for the financial year	76,939	(14,752)
Transfer to property equity reserve	(24,304)	948
At 30 September	<u>67,440</u>	<u>14,805</u>

<b>12 Reconciliation of movement in capital &amp; reserves</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
At 1 October	298,011	312,763
Surplus/Deficit for the financial year	<u>76,939</u>	<u>(14,752)</u>
At 30 September	<u>374,950</u>	<u>298,011</u>

**The Abbeyfield Buckland Monachorum Society Limited**  
**Notes to the Accounts**  
**for the year ended 30 September 2014**

<b>13 Gross cash flows</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	252	108
Interest paid-capitalised from the previous year	1,077	(1,545)
	<u>1,329</u>	<u>(1,437)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	73,651	167,361
Receipts from sales of tangible fixed assets	(106,788)	-
	<u>(33,137)</u>	<u>167,361</u>
<b>Financing</b>		
Net Loan received (included in creditors)	<u>4,562</u>	<u>203,513</u>

<b>14 Analysis of changes in net debt</b>	<b>At 1 Oct 2013 £</b>	<b>Cash flows £</b>	<b>Non-cash changes £</b>	<b>At 30 Sep 2014 £</b>
Cash at bank and in hand	15,533	53,303	-	68,836
Debt due within 1 year	(203,513)	(4,922)	-	(208,435)
Total	<u>(187,980)</u>	<u>48,381</u>	<u>-</u>	<u>(139,599)</u>

<b>15 Accommodation in management</b>	<b>2014</b>	<b>2013</b>
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>

**16 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.

**17 Post Balance Sheet Event**

The building programme relating to the conversion of existing rooms and space into 4 flats and 6 studios mentioned last year is about to be completed, and by now 2 flats have been sold; there are encouraging levels of interest in the remaining 2 flats but without concrete offers having been made as yet. Existing residents have been transferred into the larger Studios.

A more energetic marketing plan is being created with the help of specialists from Abbeyfield Southwest regional management to ensure the speedy sale of the remaining flats and to secure additional residents for the vacant Studios.

As the sale of the flats has been slower than envisaged, it has been necessary to extend the loan facility from The Abbeyfield Society to £250,000 repayable by 31st March 2015. If there are insufficient proceeds from flat sales by that date then external funding will be required with which to repay The Abbeyfield Society.

**18 Capital commitments**

As at the year end there were commitments of £119,483.

**19 Controlling party**

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