

REGISTERED COMPANY NUMBER: 00843676 (England and Wales)
REGISTERED CHARITY NUMBER. 242116

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 SEPTEMBER 2012
FOR
THE ABBEYFIELD LISS SOCIETY LIMITED**

Traviss & Co
Chartered Accountants
Newtown House
38 Newtown Road
Liphook
Hampshire
GU30 7DX



THE ABBEYFIELD LISS SOCIETY LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 September 2012**

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 13

THE ABBEYFIELD LISS SOCIETY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 September 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
00843676 (England and Wales)

Registered Charity number
242116

Registered office
The Oaks
St Marys Road
Liss
Hampshire
GU33 7AH

Trustees

J M Barnard *	
Mrs C Clark	
Revd P Coley	- appointed 16 3 12
Mrs O J Fleming	
Mrs J Foster	
G D Gardner	- appointed 16 4 12
Mrs C M Greaves*	Resigned 16 4 12
J M Hines *	
J A Horrex	
Mrs L Lewis	
S E Mallon*	
I R Thomson *	- appointed 16 4 12
Mrs J White	

Those trustees whose names are marked with * are appointed Directors at Companies House

Company Secretary
I R Thomson*

Independent Examiner
M J Traviss FCA
Traviss & Co
Chartered Accountants
Newtown House
38 Newtown Road
Liphook
Hampshire
GU30 7DX

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust comprising a Memorandum of Association dated 31st March 1965, this constitutes a limited company, limited by guarantee, now defined by the Companies Act 2006

Recruitment and appointment of new trustees

The existing trustees are receptive to the recruitment of new trustees who have experience in the operation of other charitable organisations or have specific skills in areas such as finance or those related to the charitable objectives

THE ABBEYFIELD LISS SOCIETY LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 September 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees are provided with an information pack on the charity covering the governing document and explanations of the charitable objectives, the latest financial statements, information on the care of residents. New trustees are appointed with a specific area of responsibility in the oversight of the charity.

Organisational structure

The charity is organised so that the trustees meet regularly to manage its affairs. There is one House Manager who manages the house on a day to day basis, other staff are employed on a part-time basis as necessary.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the charity continues to be to provide sheltered accommodation for independent elderly people in the Liss area. The charity is not a Registered Social Landlord (RSL) nor does it have an Industrial and Provident Society (IPS) registration.

The Abbeyfield Liss Society is a member of The Abbeyfield Society, and operates in accordance with their mission and values.

Significant activities

The trustees consider that the performance of the charity this year has been satisfactory. After due consideration, the trustees have decided not to proceed with the decision a year ago to build two x two person units in the grounds. The major activity this year has been preparing the Society for an Abbeyfield Gold Star assessment by the end of 2012. In early 2013 the Executive Committee will look at strategic options, including funding, to secure the future of the society.

ACHIEVEMENT AND PERFORMANCE

The trustees have continued to operate the home and maintain where possible full occupation of all the available rooms. A maximum of nine rooms are available for occupation at any time at the House. Naturally residents can stay for only a period of time, sometimes years, sometimes only a few months. This year was no exception and one room was vacant for 10 months due to a change of tenants and its subsequent redecoration. The loss of income due to vacancy was £7,803 as compared with £3,135 in 2011 and £10,107 in 2010. The 2012 figure was 7.6% of gross charges.

A slight increase in total income was offset by a net increase in governance costs principally represented by the one off cost associated with the decision not to proceed with the development of two x two person units. This was reduced by the recovery of input VAT from our gas supplier where the reduced rate applicable to registered charities was not correctly applied for some years. The total credit was £7,106 and led to a net £13,000 decrease in incoming resources (2011 increase £10,991). There was a small gain in investments in the year of £2,479 (2011 loss £2,971). This all resulted in a small positive £10,366 movement of funds.

FINANCIAL REVIEW

Reserves policy

The trustees have considered the appropriateness of the required reserves and have a policy of retaining sufficient available surplus funds to meet the costs of charitable activities for a period of twelve months. At current costs this represents approximately £70,000.

Principal funding sources

The principal funding sources are charges to residents for occupation and food.

Investment policy and objectives

The trustees have considered the investment policy and, owing to global investment uncertainties at the time, decided to remove surplus funds from CCLA Investment Management Limited and with M&G Investments Charifund. They are re-investing surplus funds in the Kent Reliance Building Society at the time offering the best rate of interest.

THE ABBEYFIELD LISS SOCIETY LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 September 2012**

ON BEHALF OF THE BOARD

I. R. Thomson

I R Thomson Chairman - Trustee

Date *18 February 2013*

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ABBEYFIELD LISS SOCIETY LIMITED**

I report on the accounts for the year ended 30 September 2012 set out on pages five to thirteen

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act), and
- to state whether particular matters have come to my attention

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

Have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



M J Traviss FCA
Traviss & Co
Chartered Accountants
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Liphook
Hampshire
GU30 7DX

Date

THE ABBEYFIELD LISS SOCIETY LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 September 2012**

		2012 Unrestricted funds £	2011 Total funds £
INCOMING RESOURCES	Notes		
Incoming resources from generated funds			
Voluntary income		412	272
Activities for generating funds	2	95,353	96,079
Investment income	3	1,076	1,023
Other incoming resources		<u>1,886</u>	<u>-</u>
Total incoming resources		98,727	97,374
RESOURCES EXPENDED			
Charitable activities			
Costs of providing accommodation		77,857	69,811
Governance costs		3,922	1,226
Other resources expended	4	<u>9,061</u>	<u>-</u>
Total resources expended		90,840	71,037
NET INCOMING RESOURCES		7,887	26,337
Other recognised gains/losses			
Gains/losses on investment assets		<u>2,479</u>	<u>(2,971)</u>
Net movement in funds		10,366	23,366
RECONCILIATION OF FUNDS			
Total funds brought forward		318,085	294,719
TOTAL FUNDS CARRIED FORWARD		<u>328,451</u>	<u>318,085</u>

The notes form part of these financial statements

THE ABBEYFIELD LISS SOCIETY LIMITED

BALANCE SHEET
At 30 September 2012

	Notes	2012 Unrestricted funds £	2011 Total funds £
FIXED ASSETS			
Intangible assets	8	15	15
Tangible assets	9	243,926	244,355
Investments	10	<u>471</u>	<u>533</u>
		244,412	244,903
CURRENT ASSETS			
Debtors	11	5,952	13,512
Investments	12	133	75,019
Cash at bank and in hand		<u>89,615</u>	<u>3,414</u>
		95,700	91,945
CREDITORS			
Amounts falling due within one year	13	<u>(11,661)</u>	<u>(11,808)</u>
NET CURRENT ASSETS		<u>84,039</u>	<u>80,137</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		328,451	325,040
CREDITORS			
Amounts falling due after more than one year	14	-	(6,955)
NET ASSETS		<u>328,451</u>	<u>318,085</u>
FUNDS			
Unrestricted funds	16	<u>328,451</u>	<u>318,085</u>
TOTAL FUNDS		<u>328,451</u>	<u>318,085</u>

The notes form part of these financial statements

THE ABBEYFIELD LISS SOCIETY LIMITED

BALANCE SHEET - CONTINUED

At 30 September 2012

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2012


The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2012 in accordance with Section 476 of the Companies Act 2006

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on *18th February 2013* and were signed on its behalf by



J M Hines Treasurer -Trustee



I R Thomson Chairman -Trustee

The notes form part of these financial statements

THE ABBEYFIELD LISS SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 September 2012**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. As the charity is not VAT registered any costs are shown inclusive where charged

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery etc - 15% on reducing balance

In previous years the charity has not provided depreciation on the freehold land and buildings. Depreciation represents a measure of "consumption" not a measure of value. This represents a departure from Financial Reporting Standard (FRS) 15 which requires that all fixed assets with a finite life should be capitalised and depreciated over their useful economic life to the business. The trustees have considered the requirement for depreciation and are of the opinion that the level of repair cost incurred during the year are sufficient to enable the freehold buildings to be maintained at a level suitable and for the expected use of the charity's activities

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

Investment and investment return

Investments are stated at market value. The change in value of the investments in the accounting period is shown as an unrealised gain or loss in the Statement of Financial Activities and the values adjusted in the balance sheet. The income of any accumulation shares is shown as income with the corresponding amount shown as additions to investments

2. ACTIVITIES FOR GENERATING FUNDS

	2012	2011
	£	£
Residential charges receivable	102,900	98,820
Losses arising from vacancies	(7,803)	(3,135)
Fundraising	<u>256</u>	<u>394</u>
	<u>95,353</u>	<u>96,079</u>

THE ABBEYFIELD LISS SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 September 2012**

3. INVESTMENT INCOME

	2012	2011
	£	£
Dividends received	1,075	1,022
Bank interest	<u>1</u>	<u>1</u>
	<u>1,076</u>	<u>1,023</u>

4. OTHER RESOURCES EXPENDED

	2012	2011
	£	£
Exceptional items	<u>9,061</u>	<u>-</u>

An analysis of the net costs is as follows

	2012	2011
	£	£
Architects and planning fees	16,167	-
Input VAT recovery on	(7,106)	-
	<u>9,061</u>	<u>-</u>

Costs totalling £11,577 incurred in 2011 for architects and planning fees associated with building additional accommodation in the grounds were carried forward as prepaid cost to be added to the expected build and development when it started. Further costs of £4,590 were incurred in the year.

Following a review of the proposed plans the trustees are considering alternative options so the costs are being written off as they no longer have financial value. Due to their value this is regarded as an exceptional item and treated accordingly.

To offset this cost VAT was incorrectly charged at the standard rate not the reduced 5% rates applicable to charities. The recovery of the overcharged VAT for the periods this applied to has been treated as an exceptional income item.

5. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	429	505
Surplus on disposal of fixed asset	<u>(1,886)</u>	<u>-</u>

THE ABBEYFIELD LISS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 September 2012

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2012 nor for the year ended 30 September 2011

Trustees' Expenses

	2012 £	2011 £
Trustees' expenses	<u>252</u>	<u>142</u>

7. STAFF COSTS

	2012 £	2011 £
Wages and salaries	33,477	30,894
Social security costs	<u>1,097</u>	<u>1,262</u>
	<u>34,574</u>	<u>32,156</u>

The average monthly number of employees during the year was as follows

	2012	2011
Housekeeper	1	1
Other staff	<u>5</u>	<u>5</u>
	<u>6</u>	<u>6</u>

8. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 October 2011 and 30 September 2012	<u>15</u>
 NET BOOK VALUE	
At 30 September 2012	<u>15</u>
At 30 September 2011	<u>15</u>

THE ABBEYFIELD LISS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 September 2012

9. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST			
At 1 October 2011 and 30 September 2012	<u>242,015</u>	<u>12,285</u>	<u>254,300</u>
DEPRECIATION			
At 1 October 2011	520	9,425	9,945
Charge for year	<u>-</u>	<u>429</u>	<u>429</u>
At 30 September 2012	<u>520</u>	<u>9,854</u>	<u>10,374</u>
NET BOOK VALUE			
At 30 September 2012	<u>241,495</u>	<u>2,431</u>	<u>243,926</u>
At 30 September 2011	<u>241,495</u>	<u>2,860</u>	<u>244,355</u>

The freehold property is insured for £824,000

10. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 October 2011	533
Revaluations	<u>(62)</u>
At 30 September 2012	<u>471</u>
NET BOOK VALUE	
At 30 September 2012	<u>471</u>
At 30 September 2011	<u>533</u>

There were no investment assets outside the UK

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Other debtors	<u>5,952</u>	<u>13,512</u>

THE ABBEYFIELD LISS SOCIETY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 September 2012**

12. CURRENT ASSET INVESTMENTS

	2012	2011
	£	£
M&G Equities Investment Fund	-	40,577
CCLA Accumulation units	<u>133</u>	<u>34,442</u>
	<u>133</u>	<u>75,019</u>

The current asset investments are included at market value

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Bank loans and overdrafts	6,521	7,000
Trade creditors	1,627	3,208
Taxation and social security	372	370
Other creditors	<u>3,141</u>	<u>1,230</u>
	<u>11,661</u>	<u>11,808</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2012	2011
	£	£
Bank loans	<u>-</u>	<u>6,955</u>

15. SECURED DEBTS

The following secured debts are included within creditors

	2012	2011
	£	£
Bank loans	<u>6,521</u>	<u>13,955</u>

16. MOVEMENT IN FUNDS

	At 1 10.11	Net movement in funds	At 30 9.12
	£	£	£
Unrestricted funds			
General fund	318,085	10,366	328,451
	<u>318,085</u>	<u>10,366</u>	<u>328,451</u>
TOTAL FUNDS	<u>318,085</u>	<u>10,366</u>	<u>328,451</u>

THE ABBEYFIELD LISS SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 30 September 2012

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	98,727	(90,840)	2,479	10,366
	-----	-----	-----	-----
TOTAL FUNDS	<u>98,727</u>	<u>(90,840)</u>	<u>2,479</u>	<u>10,366</u>