

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

CHARITY COMMISSION
FIRST CONTACT

- 3 OCT 2016

ACCOUNTS
RECEIVED

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

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THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Trustees

A Murray, Chairman
R J Symonds
C Widdows
N M Pitcher
C Dorman (resigned 27 July 2015)
S M Tyers
P A Barton
D B Cox
R Cummins (appointed 21 January 2016)
G Ireland (appointed 21 January 2016)

Company registered number

701225

Charity registered number

233423

Registered office and operations address

11 Maitland Road
Reading
Berkshire
RG1 6NL

Company secretary

R J Symonds

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

Bankers

Lloyds TSB Bank Plc
Market Place
Reading
Berkshire
RG1 2EQ

CCLA Investment Management Ltd
St. Alphage House
2 Fore Street
London
EC2Y 5AQ

THE ABBEYFIELD (READING) SOCIETY LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016

Advisers (continued)

Solicitors

Hewetts
55-57 London Street
Reading
Berkshire
RG1 4PS

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

I am pleased to report that our financial position has improved over the last year. Although net income remained negative at minus £42k in the financial year to 31 March 2016, this represented a £47k improvement on the previous year. We are working hard to achieve at least cash break even in the year to March 2017 and we have made a good start. In the four months to the end of July net income was only £2k negative. It is the first priority of the trustees to take whatever action is necessary to ensure a healthy financial position as this will benefit the House and, in particular, the residents.

A key reason for our improved financial situation is that income from residents' fees due in large part to the fact that we have been more successful in securing a high level of occupancy. For the first time for some while we have been full for long periods. This reflects all the hard work which Bernie in particular puts in to filling voids and the fact that we often secure new residents through word of mouth which demonstrates the very positive reputation which Abbeyfield Reading has.

When reviewing the charity's aims and objectives and planning its activities, the trustees have due regard to the Charity Commission's public benefit guidance, including its guidance on fee charging. The Society aims to provide accommodation for frail elderly persons in the community in need of care. The fees charged are only to cover the cost of running the house and not for profit. We remain determined to keep residents' fee increases as low as possible and broadly consistent with trends in the overall economic environment.

Again staffing has presented challenges. We have raised permanent headcount but still have to rely far more than we would like on agency staffing. Although expenditure on this in 2016 was lower than in the previous year, it was still high at £110k. The problem we have is that Reading fortunately has very low unemployment at c.1.5% which is almost half the national average and severely restricts the pool of potential new employees. Notwithstanding this, Bernie and Roz work incredibly hard at securing high quality permanent staff. As I have said in previous statements, staffing is something on which we absolutely will not compromise and we will always ensure that we have the staff necessary to ensure that we can provide the highest possible level of service.

The government introduced auto-enrolment of pensions for all staff and we have fully complied with all the requirements this placed upon us. We are conscious though that this could become a higher expense in future years.

It has been extremely helpful that we have been able to fund most of our capital expenditure through donations. This year donation income increased by £20k to £38k. Donation income was used to support a new fire alarm system and the new shed and gazebo for which there will be further expenditure in the current year. The new gazebo should provide a welcome area of relaxation for residents and their visitors.

As ever I have to refer to the fact that some residents have sadly left us this year. However it has been good to welcome all our new residents and to wish them a long and healthy stay.

And finally it is important to thank everyone who makes Abbeyfield Reading such a great place. Everybody's job here, whatever it is, makes a real and valuable contribution. I would also like to thank all the trustees and volunteers for all their efforts and, in particular, Chris Widdows for his commitment including as a very hard working House Chairman.

Alan Murray
Chairman

21 September 2016

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Trustees (who are also directors of the charity for the purposes of Companies Act) present their annual report together with the audited financial statements of The Abbeyfield (Reading) Society Limited (the company) for the year ended 31 March 2016. The Trustees confirm that the annual report and financial statements of the company comply with the Charities Act 2011, the Companies Act 2006, the requirements of the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 18 August 1961.

The company is constituted under a Memorandum of Association dated 18 August 1961 and is a registered charity number 233423

CHARITABLE OBJECTS AND PRINCIPAL ACTIVITIES

The objects of the Society and the principal activities of the Society are to provide accommodation for lonely and elderly people in accordance with the aims and principles of The Abbeyfield Society Limited. These activities fall wholly within hostel housing activities as defined in the Housing Act 1996.

ORGANISATIONAL STRUCTURE

The trustees who have served during the year are set out on page 1. The body of the trustees consist of the Executive Committee who are appointed by the members of the Society.

The Society is a member of the Abbeyfield Society of 55 Victoria Street, St. Albans, Herts., a federation of independent charities.

The Society acts as corporate trustee to the Eventide and Watts Charity.

REVIEW OF ACTIVITIES

See Chairman's Statement on page 3.

RESERVES POLICY

The Trustees have set reserves at a level to sustain the continued existence of the Society in the event of untoward circumstances necessitating closure to residents for a period of 12 months which may not be covered by insurance policies in force. These are set at the level of one years annual expenditure (in the current year £1,043,909 v reserves £1,081,970). There are no plans to augment or decrease these reserves.

RISK MANAGEMENT

The Trustees have considered the major risks which the Society faces and confirm that systems have been established to ensure that the necessary actions may be taken.

EXECUTIVE COMMITTEE

The Members of the Executive Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year are listed on page 1.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the charitable company in the event of a winding up. At the Balance Sheet date there were 10 members each guaranteeing to contribute £1.

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Abbeyfield (Reading) Society Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

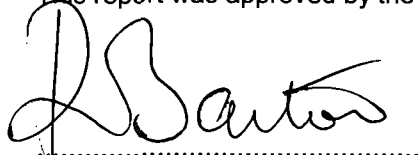
- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

AUDITOR

The auditor, James Cowper Kreston, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 21 September 2016 and signed on their behalf by:



.....
P Barton
Trustee

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ABBEYFIELD (READING) SOCIETY LIMITED

We have audited the financial statements of The Abbeyfield (Reading) Society Limited for the year ended 31 March 2016 set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

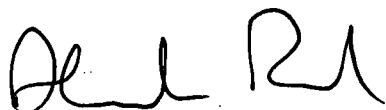
THE ABBEYFIELD (READING) SOCIETY LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ABBEYFIELD (READING) SOCIETY LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption in preparing the Trustees' report.



Alexander Peal BSc(Hons) FCA DChA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS
21 September 2016

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

| | Note | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|---|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | |
| Donations and capital grants | 2 | 27,900 | 10,195 | 38,095 | 18,768 |
| Investments | 3 | - | - | - | 4,400 |
| Charitable activities | 4 | - | 965,963 | 965,963 | 918,119 |
| TOTAL INCOME | | <u>27,900</u> | <u>976,158</u> | <u>1,004,058</u> | <u>941,287</u> |
| EXPENDITURE ON: | | | | | |
| Raising funds | | - | 4,128 | 4,128 | 8,319 |
| Charitable activities | 6 | 8,440 | 1,031,341 | 1,039,781 | 1,030,697 |
| TOTAL EXPENDITURE | 7 | <u>8,440</u> | <u>1,035,469</u> | <u>1,043,909</u> | <u>1,039,016</u> |
| NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES | | | | | |
| Gains/(losses) on investment assets | 11 | 19,460 | (59,311) | (39,851) | (97,729) |
| | | - | (1,759) | (1,759) | 9,523 |
| NET MOVEMENT IN FUNDS | | <u>19,460</u> | <u>(61,070)</u> | <u>(41,610)</u> | <u>(88,206)</u> |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 8,440 | 1,115,140 | 1,123,580 | 1,211,786 |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>27,900</u></u> | <u><u>1,054,070</u></u> | <u><u>1,081,970</u></u> | <u><u>1,123,580</u></u> |

The notes on pages 10 to 20 form part of these financial statements.

THE ABBEYFIELD (READING) SOCIETY LIMITED

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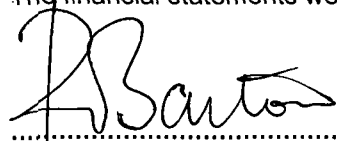
REGISTERED NUMBER: 701225

**BALANCE SHEET
AS AT 31 MARCH 2016**

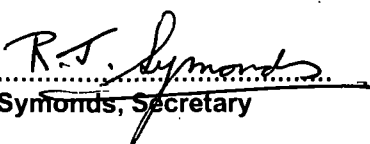
| | Note | £ | 2016 £ | £ | 2015 £ |
|--|------|--------|------------------|--------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 948,439 | | 949,198 |
| Investments | 11 | | 110,796 | | 112,555 |
| | | | <u>1,059,235</u> | | <u>1,061,753</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 70,694 | | 25,145 | |
| Investments | 13 | 32,586 | | 32,586 | |
| Cash at bank and in hand | | 83,335 | | 96,086 | |
| | | | <u>186,615</u> | | <u>153,817</u> |
| CREDITORS: amounts falling due within one year | 14 | | <u>(142,555)</u> | | <u>(60,893)</u> |
| NET CURRENT ASSETS | | | <u>44,060</u> | | <u>92,924</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>1,103,295</u> | | <u>1,154,677</u> |
| CREDITORS: amounts falling due after more than one year | 15 | | <u>(21,325)</u> | | <u>(31,097)</u> |
| NET ASSETS | | | <u>1,081,970</u> | | <u>1,123,580</u> |
| CHARITY FUNDS | | | | | |
| Restricted funds | 16 | | 27,900 | | 8,440 |
| Unrestricted funds | 16 | | 1,054,070 | | 1,115,140 |
| TOTAL FUNDS | | | <u>1,081,970</u> | | <u>1,123,580</u> |

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 21 September 2016 and signed on their behalf by:



P Barton, Trustee


R J Symonds, Secretary

The notes on pages 10 to 20 form part of these financial statements.

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Resident fees are included in the Statement of financial activities on an accruals basis. Income is accrued or deferred as required depending on the timing of the receipts to ensure that fees are included in the correct period.

THE ABBEYFIELD (READING) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---------------------|---|------------------------|
| Freehold property | - | 2% straight line |
| Fixtures & fittings | - | 10% -15% straight line |

1.7 Housing properties

Housing properties are properties available for rent and properties subject to shared ownership leases.

The property is periodically professionally valued and depreciated in the intervening years.

Housing properties under construction are stated at cost less related social housing grant and other capital grants.

Cost includes the cost of acquiring land and buildings, developments costs, interest charges incurred during the development period and expenditure incurred in respect of improvements.

Improvements are works which result in an increase in the net rental income, such as an increase in rental income, a reduction in future maintenance costs, or results in a significant extension of the useful economic life of the property in the business. Only the direct overhead costs associated with the new developments or improvements are capitalised.

THE ABBEYFIELD (READING) SOCIETY LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

1.8 Social housing grant

Social housing grant (SHG) is receivable from the Housing Corporation and is utilised to reduce the capital costs of housing properties, including land costs. SHG due from the Housing corporation or received in advance is included as a current asset or liability.

SHG is subordinated to the repayment of loans by agreement with the Housing Corporation. SHG released on sale of a property may be repayable but is normally available to be recycled and is credited to a recycled Capital Grant Fund or Disposal Proceeds Fund and included in the balance sheet in creditors.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

1.10 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.11 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount repaid net of any trade discounts due.

1.13 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

THE ABBEYFIELD (READING) SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. INCOME FROM DONATIONS AND LEGACIES

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|-----------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations | 27,900 | 10,195 | 38,095 | 18,768 |

In 2015, of the total income from donations and legacies, £18,268 was to unrestricted funds and £500 was to restricted funds

3. INVESTMENT INCOME

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|-------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Investment income | - | - | - | 4,400 |

In 2015, of the total investment income, £4,400 was to unrestricted funds and £NIL was to restricted funds.

4. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|----------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations and grants | - | 965,963 | 965,963 | 918,119 |

In 2015, of the total income from charitable activities, £918,119 was to unrestricted funds and £NIL was to restricted funds.

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

5. CHARITABLE ACTIVITIES

| | Total funds 2015 £ | Total funds 2014 £ |
|---|-----------------------------|-----------------------------|
| Catering costs | 65,254 | 63,480 |
| Household supplies, medical and laundry | 40,528 | 36,845 |
| Temporary staff costs and staff welfare | 109,936 | 137,331 |
| Recruitment, training and clothing | 8,930 | 6,684 |
| Water charges | 8,410 | 5,477 |
| Rates | 1,748 | 1,559 |
| Light and heat | 27,417 | 33,452 |
| Insurance | 4,997 | 4,962 |
| Maintenance, repairs and renewals | 62,957 | 58,317 |
| Cleaning and waste disposal | 13,165 | 12,412 |
| Office costs | 15,902 | 12,488 |
| Equipment leasing costs | 3,156 | 2,776 |
| Abbeyfield affiliation fees | 7,949 | 7,221 |
| Professional fees and bookkeeping | 4,704 | 9,433 |
| Loan interest | 788 | 1,481 |
| Miscellaneous expenses | 12,506 | 9,977 |
| Resident entertaining | 2,485 | 2,114 |
| Wages and salaries | 564,175 | 535,814 |
| Social security | 46,675 | 46,276 |
| Pension cost | 6,963 | 6,307 |
| Depreciation | 25,886 | 30,679 |
| | <u>1,034,531</u> | <u>1,025,085</u> |

In 2015, the company incurred the following Direct costs:

£NIL in respect of Donations and grants
£8,319 in respect of Fundraising activities

6. GOVERNANCE COSTS

| | Unrestricted funds 2016 £ | Total funds 2015 £ |
|------------------------|------------------------------------|-----------------------------|
| Auditors' remuneration | <u>5,250</u> | <u>5,612</u> |

THE ABBEYFIELD (READING) SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

| | Staff costs 2016 £ | Depreciation 2016 £ | Other costs 2016 £ | Total 2016 £ | Total 2015 £ |
|---|--------------------------|---------------------------|--------------------------|--------------------|--------------------|
| Expenditure on raising voluntary income | - | - | 4,128 | 4,128 | 8,319 |
| Costs of generating funds | - | - | 4,128 | 4,128 | 8,319 |
| Donations and grants | 617,813 | 25,886 | 390,832 | 1,034,531 | 1,025,085 |
| Expenditure on governance | - | - | 5,250 | 5,250 | 5,612 |
| | 617,813 | 25,886 | 400,210 | 1,043,909 | 1,039,016 |

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

| | 2016 £ | 2015 £ |
|--|-----------|-----------|
| Depreciation of tangible fixed assets: - owned by the charity | 25,886 | 30,679 |
| Auditor's remuneration | 5,250 | 5,612 |
| Loan interest | 788 | 1,481 |
| Operating leases | 965 | 965 |
| Pension costs | 6,963 | 6,307 |

During the year, no Trustees received any remuneration (2015 - £NIL).

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

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9. STAFF COSTS

Staff costs were as follows:

| | 2016 £ | 2015 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 564,175 | 535,814 |
| Social security costs | 46,675 | 46,276 |
| Other pension costs | 6,963 | 6,307 |
| | <u>617,813</u> | <u>588,397</u> |

The average number of persons employed by the company during the year was as follows:

| | 2016 No. | 2015 No. |
|--|-------------|-------------|
| | <u>28</u> | <u>26</u> |

No employee received remuneration amounting to more than £60,000 in either year.

10. TANGIBLE FIXED ASSETS

| | Freehold property £ | Fixtures & fittings £ | Total £ |
|-----------------------|---------------------------|-----------------------------|------------------|
| Cost | | | |
| At 1 April 2015 | 1,074,488 | 192,878 | 1,267,366 |
| Additions | - | 25,127 | 25,127 |
| At 31 March 2016 | <u>1,074,488</u> | <u>218,005</u> | <u>1,292,493</u> |
| Depreciation | | | |
| At 1 April 2015 | 152,081 | 166,087 | 318,168 |
| Charge for the year | 18,490 | 7,396 | 25,886 |
| At 31 March 2016 | <u>170,571</u> | <u>173,483</u> | <u>344,054</u> |
| Net book value | | | |
| At 31 March 2016 | <u>903,917</u> | <u>44,522</u> | <u>948,439</u> |
| At 31 March 2015 | <u>922,407</u> | <u>26,791</u> | <u>949,198</u> |

Included in land and buildings is freehold land at valuation of £150,000 (2015: £150,000) which is not depreciated.

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If housing property held for letting had not been revalued it would have been included at the following historical cost.

| | 2016 | 2015 |
|--|------------------|------------------|
| | £ | £ |
| | 1,744,509 | 1,744,509 |
| | <u>1,744,509</u> | <u>1,744,509</u> |

During the year ended 31 March 2006, the Housing Corporation converted a loan of £51,192 into Social Housing Grants.

11. FIXED ASSET INVESTMENTS

| | | Listed securities £ |
|---------------------|--|------------------------|
| Market value | | |
| At 1 April 2015 | | 112,555 |
| Revaluations | | (1,759) |
| | | <u>110,796</u> |
| At 31 March 2016 | | <u>110,796</u> |

12. DEBTORS

| | 2016 | 2015 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 34,260 | 9,421 |
| Other debtors | 6,257 | 166 |
| Prepayments and accrued income | 30,177 | 15,558 |
| | <u>70,694</u> | <u>25,145</u> |
| | <u>70,694</u> | <u>25,145</u> |

13. CURRENT ASSET INVESTMENTS

| | 2016 | 2015 |
|------------------|---------------|---------------|
| | £ | £ |
| COIF Investments | 32,586 | 32,586 |
| | <u>32,586</u> | <u>32,586</u> |
| | <u>32,586</u> | <u>32,586</u> |

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14. CREDITORS: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|-----------|-----------|
| Bank overdraft and loans | 103,273 | 11,526 |
| Trade creditors | 3,783 | 10,520 |
| Other taxation and social security | 15,866 | 13,900 |
| Other creditors | 753 | 1,793 |
| Accruals and deferred income | 18,880 | 23,154 |
| | 142,555 | 60,893 |

**15. CREDITORS:
Amounts falling due after more than one year**

| | 2016 £ | 2015 £ |
|------|-----------|-----------|
| Loan | 21,325 | 31,097 |
| | 21,325 | 31,097 |

SUMMARY OF FUNDS

| | Brought Forward £ | Incoming Resources £ | Expenditure £ | Gains/ (Losses) £ | Carried Forward £ |
|--------------------|-------------------------|----------------------------|------------------|-------------------------|-------------------------|
| Unrestricted funds | 1,115,140 | 976,158 | (1,035,469) | (1,759) | 1,054,070 |
| Restricted funds | 8,440 | 27,900 | (8,440) | - | 27,900 |
| | 1,123,580 | 1,004,058 | (1,043,909) | (1,759) | 1,081,970 |

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16. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming Resources £ | Expenditure £ | Gains/ (Losses) £ | Carried Forward £ |
|---------------------------|-------------------------|----------------------------|--------------------|-------------------------|-------------------------|
| Unrestricted funds | | | | | |
| General Funds | 1,115,140 | 976,158 | (1,035,469) | (1,759) | 1,054,070 |
| Restricted funds | | | | | |
| Resident support fund | 3,000 | 10,500 | (3,000) | - | 10,500 |
| Daybed fund | 1,140 | - | (1,140) | - | - |
| Dementia funding | 3,800 | - | (3,800) | - | - |
| Garden project | 500 | 17,400 | (500) | - | 17,400 |
| | <u>8,440</u> | <u>27,900</u> | <u>(8,440)</u> | <u>-</u> | <u>27,900</u> |
| Total of funds | <u>1,123,580</u> | <u>1,004,058</u> | <u>(1,043,909)</u> | <u>(1,759)</u> | <u>1,081,970</u> |

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted funds 2016 £ | Unrestricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|-------------------------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Tangible fixed assets | - | 948,439 | 948,439 | 949,198 |
| Fixed asset investments | - | 110,796 | 110,796 | 112,555 |
| Current assets | 27,900 | 158,715 | 186,615 | 266,372 |
| Creditors due within one year | - | (142,555) | (142,555) | (60,893) |
| Creditors due in more than one year | - | (21,325) | (21,325) | (31,097) |
| | <u>27,900</u> | <u>1,054,070</u> | <u>1,081,970</u> | <u>1,123,580</u> |

18. RELATED PARTY TRANSACTIONS

The charity Eventide & Watts Charity is connected by common trustees. At the year end The Abbeyfield (Reading) Society Limited owed Eventide & Watts £73,405 (2015: £2,130).

19. PENSION COMMITMENTS

During the year the charity operated a defined contribution scheme for its employees. Total contributions during the year were £6,963 (2015: £6,307). At the year end £753 (2015: £1,793) was outstanding and included in creditors.

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20. OPERATING LEASE COMMITMENTS

At 31 March 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

| | 2016 | 2015 |
|-----------------------|-------------|------|
| | £ | £ |
| Within 1 year | 458 | - |
| Between 1 and 5 years | - | 965 |
| Total | 458 | 965 |

21. CONTROLLING PARTY

The ultimate controlling party is the trustees as detailed on page 1.