

REGISTERED COMPANY NUMBER: 0738023 (England and Wales)
REGISTERED CHARITY NUMBER: 220392
TENANT SERVICE AUTHORITY NUMBER HO374

REPORT OF THE EXECUTIVE COMMITTEE AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
ABBNEYFIELD SOLENT SOCIETY LIMITED

Leonard Gold Chartered Accountants
Registered Auditors
24 Landport Terrace
Portsmouth
Hampshire
PO1 2RG

ABBNEYFIELD SOLENT SOCIETY LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2016

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ABBNEYFIELD SOLENT SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2016

The Executive Committee 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 31 December 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

0738023 (England and Wales)

Registered Charity number

220392

Tenant Service Authority number

HO374

Registered office

50 St Edwards Road
Southsea
Hampshire
PO5 3DJ

Executive Committee

Mrs E Bell - Chairman
T Biddle
M Mitchell
Mrs C Rodwell
Mrs J Giles – appointed 11th January 2017

Senior Statutory Auditor

Mrs Julie Watts

Auditors

Leonard Gold
Statutory Auditor
24 Landport Terrace
Portsmouth
Hampshire
PO1 2RG

Bankers

Barclays Bank Plc
90 Osborne Road
Southsea
Portsmouth
Hampshire
PO5 3LW

ABBNEYFIELD SOLENT SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE **FOR THE YEAR ENDED 31 DECEMBER 2016**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Abbeyfield Solent Society Limited is a company limited by guarantee, having no share capital, governed by its Memorandum and Articles of Association. The company was incorporated on 17 October 1962. It registered as a charity on 5 December 1963 with the Charity Commission and also as a Housing Association with the Housing Corporation. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new committee members

A nomination for election as an ordinary member of the Executive Committee may be put forward

- a) by the Executive Committee; or
- b) if accompanied by a signed statement from the nominee that he/she is willing to act as such, by at least two of members the Society who are entitled to vote.

M Mitchell and Mrs C Rodwell offer themselves for re-election at the Annual General Meeting.

Induction and training of new committee members

New committee members undergo an orientation period to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making and processes and the recent financial performance of the charity. During the induction period they meet key employees and other committee members. Committee members are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational structure

The executive committee, which can have between 3 and 18 members, administers the charity. The Trustees have appointed a General Manager to manage the day to day operations of the Society, under the supervision of the Executive Committee. The Trustees have delegated authority of operational matters to the administration staff.

Risk management

The Executive Committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity shall be to carry on for the benefit of the community the provision and management for the relief and care of elderly persons of all classes suffering from the disabilities of old age or otherwise being in need, of housing for letting and not for sale and/or hostels. And in furtherance of this object but not otherwise the charity may

- (i) provide land or buildings for purposes connected with the requirements of the elderly persons occupying the houses of hostels provided or managed by the charity; and
- (ii) provide amenities or services for the benefit of such persons either exclusively or together with other persons.

The charity shall have the power to do all the things necessary or expedient for the fulfilment of its objects, and in doing so shall use its best endeavours to observe and fulfil the Guiding Principles of the Abbeyfield movement.

ABBNEYFIELD SOLENT SOCIETY LIMITED
REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2016

ACHIEVEMENT AND PERFORMANCE

Investment performance

Under the Memorandum and Articles of Association, the charity has the power to make any investments that the executive committee sees fit.

FINANCIAL REVIEW

The Board continued to review its property and the management of the Society, and implemented changes where necessary.

Our programme of recruitment of new residents and use of traditional advertising produced new residents and our advertising covers most of East Hampshire. The income of the Society was maintained for the year despite the closure of Myfanwy House early in 2015. The occupation level of our Houses remain very good.

Continuing on from the review of the Society's properties in 2012, which considered the long term suitability of each House, in the year, the external work to Jane Gillitt House was completed and this listed building will continue to be used as an Abbeyfield House for the future. Following our successful appeal the Society has obtained planning consent from Portsmouth City Council for the redevelopment of Myfanwy House, in Cosham to create 14 one bedroom apartments, a house manager's apartment and communal facilities expected of an Abbeyfield house. The Society has appointed a Project Manager who is coordinating the tender process, and the appointment of Contractors, and we hope that construction of this new House will commence in late 2017.

The Society continues to maintain its compliance with the new Abbeyfield Standard, which involved a significant amount of work by all concerned. However, in order to achieve compliance with current Fire Safety, and health and Safety legislation, and the various risk assessments we have to undertake, the Society has continued to spend a significant amount of money to adapt our existing Houses to meet current standards, as it did last year. The Society feels that this expenditure will now reduce.

Consequently by the year end and after these additional costs, a loss of £45,995 has been incurred before taking into account the property revaluation.

The General Manager and her staff in both the office and the Houses have continued to maintain our very high standards of care for our Residents. The Executive thanks everyone for their efforts.

Public Benefit

Abbeyfield Solent's Trustees regularly monitor and review the success of the organisation in meeting its key objectives. The Trustees have considered the Charity Commission's guidance on public benefit and are satisfied that the charity's aims, and its activities carried out in pursuit of those aims, are for the public benefit. A proportion of our residents receive state funding to assist with their fees.

The Executive Committee believe that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission.

Reserves policy

The purposes of these reserves are detailed in note 15 to the financial statements.

STATEMENT OF THE EXECUTIVE COMMITTEE'S RESPONSIBILITIES

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

ABBNEYFIELD SOLENT SOCIETY LIMITED

REPORT OF THE EXECUTIVE COMMITTEE
FOR THE YEAR ENDED 31 DECEMBER 2016

Company law requires the Executive Committee to prepare financial statements for each financial year which 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 those financial statements, the Executive Committee are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Executive Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

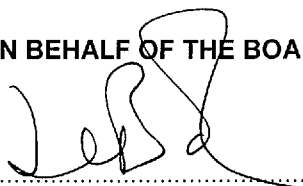
The executive committee are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

So far as the Executive Committee are aware:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the committee members, having made enquiries of fellow committee members and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a committee member in order to make themselves aware of any audit information and to establish that the auditor are aware of that information.

ON BEHALF OF THE BOARD:



T BIDDLE - Committee Member

Date: 4/7/17

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF **ABBEYFIELD SOLENT SOCIETY LIMITED**

We have audited the financial statements of Abbeyfield Solent Society Limited for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the executive committee and auditors

As explained more fully in the Statement of Executive Committee Responsibilities set out on page one, the Executive Committee members (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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the executive committee; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 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, schedule 1 to the Housing Act 2004 and the Accounting Requirements for Registered Social Landlords General Determination 2006 and the Statement of Recommended Practice 2015.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Executive Committee for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ABBNEYFIELD SOLENT 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, 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 executive committee members remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The executive committee members were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Executive Committee.



Mrs J D Watts (Senior Statutory Auditor)
for and on behalf of Leonard Gold
Registered Auditors
Chartered Accountants
24 Landport Terrace
Portsmouth
Hampshire
PO1 2RG

Date: 12 July 2017

ABBNEYFIELD SOLENT SOCIETY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds General £	Designated £	Endowment Funds Restricted £	2016 Total Funds £	2015 Total Funds £
Income						
Donations and legacies	2	(4,970)	-	-	(4,970)	5,060
<i>Income from charitable activities</i>						
Residents						
Accommodation	4	419,565	-	-	419,565	480,392
Investment income	3	317	-	-	317	291
Other income		-	-	-	-	414
Total income		<u>414,912</u>	<u>-</u>	<u>-</u>	<u>414,912</u>	<u>486,157</u>
Expenditure						
Charitable activities	5	<u>460,907</u>			<u>460,907</u>	<u>520,019</u>
Total expenditure		<u>460,907</u>	<u>-</u>	<u>-</u>	<u>460,907</u>	<u>520,019</u>
Net (expenditure) before transfers		(45,995)	-	-	(45,995)	(33,862)
Transfers between funds	15		-	-	-	-
Net expenditure) before other recognised gains		(45,995)			(45,995)	(33,862)
Gains on revaluation of freehold property		-	-	-	-	500,000
Net movement in funds		(45,995)	-	-	(45,995)	466,138
Reconciliation of funds						
Total funds brought forward		<u>618,120</u>	<u>1,896,286</u>	<u>895,863</u>	<u>3,410,269</u>	<u>2,944,131</u>
Total funds carried forward		<u>572,125</u>	<u>1,896,286</u>	<u>895,863</u>	<u>3,364,274</u>	<u>3,410,269</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes form part of these financial statements

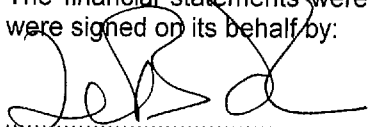
ABBNEYFIELD SOLENT SOCIETY LIMITED (REGISTERED NUMBER: 0738023)

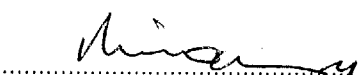
BALANCE SHEET
AT 31 DECEMBER 2016

	Notes	2016 £	2015 £
Fixed Assets			
Tangible assets	10	3,345,303	3,289,912
		<u>3,345,303</u>	<u>3,289,912</u>
Current Assets			
Stocks		968	968
Debtors: amounts falling due within one year 11		8,313	33,245
Cash at bank and in hand		<u>64,773</u>	<u>113,777</u>
		74,054	147,990
Liabilities			
Amounts falling due within one year	12	(55,083)	(27,633)
Net current Assets		<u>18,971</u>	<u>120,357</u>
Total assets less current liabilities		<u>3,364,274</u>	<u>3,410,269</u>
Net Assets		<u><u>3,364,274</u></u>	<u><u>3,410,269</u></u>
Funds	14		
Unrestricted funds		2,468,411	2,514,406
Endowment funds		<u>895,863</u>	<u>895,863</u>
Total Funds		<u><u>3,364,274</u></u>	<u><u>3,410,269</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and for circulation to members of the company.

The financial statements were approved by the Executive Committee on 14th July 2017 and were signed on its behalf by:


T BIDDLE – Committee Member


M MITCHELL – Committee Member

ABBNEYFIELD SOLENT SOCIETY LIMITED

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

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of Preparation of Accounts

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK Republic of Ireland (FRS102) and the Companies Act 2006, the Statement of Recommended Practice: Accounting by Registered Social Landlords 2010 and with the Accounting Requirements for Registered Social Landlords General Determination 2006.

Abbeyfield Solent Society Limited meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the executive committee have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102 the restatement of comparative items were required. The executive committee do not believe that any comparative items require restatement.

Income

Income from charitable activities represents rental income and is recognised on a receivable basis.

Voluntary income including donations and legacies that are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the cost of running the charity's properties and their associated support costs.
- Other expenditure represents those items not falling in the above category.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include offices costs, finance and governance costs.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Pensions

A stakeholder pension scheme has been set up for the Society's employees, although at present no employees have become members.

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

1. Accounting Policies – continued

Tangible Assets

The charity's freehold property is revalued annually in line with the requirements of FRS102.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:-

Fixtures, Fittings and Equipment – 10-100% on cost depending on the assets expected life.

Freehold property – The Charity has a policy of upgrading its properties to a standard that would increase the properties residual value, so that a depreciation charge is inappropriate.

Social Housing Grants - where developments have been financed wholly or partly by housing association grants the cost of those developments has been reduced by the grant receivable. Whilst SHG has been treated as a grant it is repayable under certain circumstances, primarily following the sale of a property, but the repayment is often restricted to the net proceeds of the sale.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

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

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 accounts.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the executive committee have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's activities.

The Permanent Endowment Fund is restricted and represents the property known as Jane Gillitt in Southsea which is occupied by the charity. The charity is entitled to the income but the property is owned by The Jane Gillitt Home Trust, a uniting direction dated 23 March 2005 is in place.

Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

2. Donations and Legacies

	2016 £	2015 £
Donations	-	60
Legacies	(4,970)	5,000
	<u>(4,970)</u>	<u>5,060</u>

3. Investment Income

	2016 £	2015 £
Deposit account interest	<u>317</u>	<u>291</u>

4. Income from Charitable Activities

	2016 £	2015 £
Resident charges	<u>419,565</u>	<u>480,392</u>

5. Analysis of Expenditure on Charitable Activities

	2016 £	2015 £
Staff costs	217,278	224,784
Rates	12,039	11,926
Insurance	10,678	8,593
Light, heat and water	39,231	46,481
Telephone	8,061	7,962
Postage, stationery and advertising	11,767	8,843
Sundries	882	1,795
Training costs	57	675
Food and household expenses	41,103	48,942
Office Accountant	5,643	5,895
Executive Committee mileage	1,293	2,347
Repairs	79,704	122,298
Motor expenses (lease, insurance & tax)	5,132	346
Computer expenses	5,119	2,466
Professional fees	1,392	3,042
Depreciation and loss on disposal of assets	4,934	6,132
Support and governance costs (see note 6)	<u>16,594</u>	<u>17,492</u>
	<u>460,907</u>	<u>520,019</u>

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

6. Support and Governance Costs

	2016	2015
	£	£
Auditors' remuneration	5,490	5,890
Bank charges	830	868
Affiliation fees	10,274	10,734
	<u>16,594</u>	<u>17,492</u>

7. Net Income/(Expenditure) for the year

This is stated after charging:

	2016	2015
	£	£
Auditors' remuneration	5,490	5,430
Depreciation - owned assets	4,934	5,994
	<u>10,424</u>	<u>11,424</u>

8. Trustees' Remuneration, Benefits and Expenses

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

Trustees' Expenses

Expenses were reimbursed to the committee members of £1,293 for mileage (£2,347 in 2015).

9. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	207,460	214,435
Social security costs	9,818	10,349
	<u>217,278</u>	<u>224,784</u>

No employees had employee benefits in excess of £60,000 (2015:nil).

The average monthly number of employees during the year was 14.

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

10. TANGIBLE FIXED ASSETS

	Property under development £	Freehold property £	Fixtures and fittings £	Totals £
COST/VALUATION				
At 1 January 2016	49,581	3,511,166	133,540	3,694,287
Additions	55,765	4,320	240	60,325
Disposals	-	-	-	-
At 31 December 2016	105,346	3,515,486	133,780	3,754,612
Grants received	-	(293,167)	(2,370)	(295,537)
	105,346	3,222,319	131,410	3,459,075
DEPRECIATION				
At 1 January 2016	-	-	108,838	108,838
Charge for the year	-	-	4,934	4,934
Eliminated on disposal	-	-	-	-
At 31 December 2016	-	-	113,772	113,772
NET BOOK VALUE				
At 31 December 2016	105,346	3,222,319	17,638	3,345,303
At 31 December 2015	49,581	3,217,999	22,332	3,289,912

The properties were revalued during 2006 by Veness, Chartered Surveyor, with the valuation being on the basis of current existing use. A revaluation was due in 2011, the Trustees took the decision that the cost of a full professional valuation would exceed the benefit for the charity and therefore no professional revaluation was carried out. The Trustees have considered the property values at 31 December 2016 and have completed their own property revaluation. The Trustees believe that their combined experience of building residential and commercial properties gives them the knowledge to complete the valuation.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Prepayments and other debtors	8,313	33,245
	<u>8,313</u>	<u>33,245</u>

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Social security and other taxes	3,598	3,928
Trade creditors	39,100	15,770
Accrued expenses	<u>12,385</u>	<u>7,935</u>
	<u>55,083</u>	<u>27,633</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Endowment funds £	2016 Total Funds £	2015 Total Funds £
Fixed assets	2,449,440	895,863	3,345,303	3,289,912
Current assets	74,054	-	74,054	147,990
Current liabilities	(55,083)	-	(55,083)	(27,633)
	<u>2,468,411</u>	<u>895,863</u>	<u>3,364,274</u>	<u>3,410,269</u>

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

15. MOVEMENT IN FUNDS

	At 1.1.16 £	Net movement in funds £	At 31.12.16 £
Unrestricted funds			
General fund	618,120	(45,995)	572,125
Designated funds			
Revaluation Reserve Fund	<u>1,896,286</u>	<u>-</u>	<u>1,896,286</u>
	<u>2,514,406</u>	<u>(45,995)</u>	<u>2,468,411</u>
 Endowment funds			
Designated funds			
Permanent Endowment Revaluation Reserve Fund	556,046	-	556,046
Permanent Endowment Property Equity Fund	<u>339,817</u>	<u>-</u>	<u>339,817</u>
	<u>895,863</u>	<u>-</u>	<u>895,863</u>
 TOTAL FUNDS	<u>3,410,269</u>	<u>(45,995)</u>	<u>3,364,274</u>

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

	Incoming Resources £	Resources expended £	Revaluations £	Movement in Funds £
Unrestricted funds				
General fund	414,912	460,907	-	(45,995)
Revaluation fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	414,912	460,907	-	(45,995)
 Endowment funds				
Permanent Endowment Fund	-	-	-	-
Permanent Endowment Reserve Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>414,912</u>	<u>460,907</u>	<u>-</u>	<u>(45,995)</u>

ABBNEYFIELD SOLENT SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

Purpose of funds:-

Revaluation reserve

The revaluation reserve is required by the Companies Act 2006 and represents the amount by which the Charity's properties exceed their historical cost.

Permanent endowment fund

This fund represents the capital value of the Jane Gillitt property as the charity is entitled to use the income it generates but are not entitled to the capital. This fund is split between the property equity fund which represents the original cost of the property including property additions and the revaluation fund which shows the revalued element.