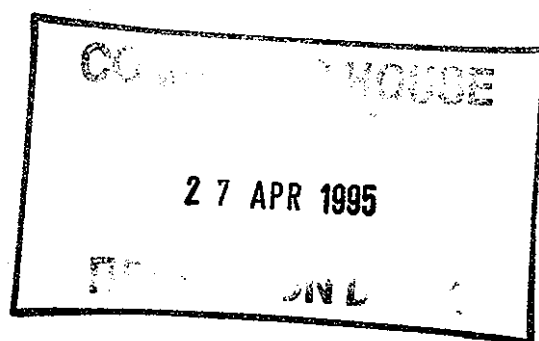


**COUNSEL AND CARE FOR THE
ELDERLY**
(a company limited by guarantee)

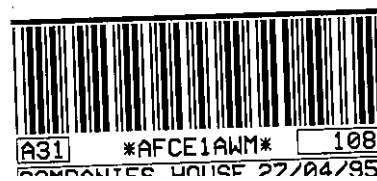
REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 1994

Twyman House, 16 Bonny Street, London NW1 9PG
Company number 645708 Registered Charity Number 203429



BINDER HAMLYN



COUNSEL AND CARE FOR THE ELDERLY

REPORT OF THE COUNCIL for the year ended 31 December 1994

FINANCIAL STATEMENTS

The Council presents its report and financial statements for the year ended 31 December 1994.

RESPONSIBILITIES OF COUNCIL MEMBERS

Company and charity law requires the Council Members, as trustees and directors, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the results for that period. In preparing those financial statements, the Council Members are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council Members are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

OBJECTIVE AND PRINCIPAL ACTIVITIES

The objective of the charity is to make available advice and practical help for older people, their carers and relatives. Its principal activities are the provision of an advice service and of financial help for older people in care and at home, and the accessing of financial resources from other agencies. The charity also publishes reports, articles and leaflets, disseminates information, advises others who work with older people and promotes high standards of care and positive images of ageing.

A review of the work of the charity is contained in the Annual Report and Review for 1994/95.

FINANCIAL RESULTS

The financial statements have been prepared in accordance with the draft Statement of Recommended Practice for Charities (SORP2). During the year the resources held on Unrestricted Funds decreased by £155,061, before taking into account a reduction of £62,215 in the value of investments.

Legacies received during the year amounted to £35,713 compared with £189,243 in 1993, a fall of £153,530. This was the major factor underlying the disappointing performance in the year. In an attempt to even out the effect of such fluctuations, 80% of legacy income received each year is appropriated to a Legacy Fund and one quarter is released to the General Fund in each of the following four years. As a result of the high level of legacy income in 1992 and 1993, there was a net withdrawal from the Legacy Fund this year of £61,280; the effect is to limit the decrease in the General Fund to £93,781 (before providing for the reduced value of investments).

COUNSEL AND CARE FOR THE ELDERLY

REPORT OF THE COUNCIL for the year ended 31 December 1994

FINANCIAL RESULTS (continued)

At 31 December 1994, reserves amounted to £399,074, and in addition, the charity held £71,509 provided by other organisations and agencies to be spent as determined by those organisations and agencies.

The Treasurer's Report in the Annual Report and Review expands on the financial results for the year.

FIXED ASSETS

Details of movements in fixed assets during the year are set out in Notes 8 and 9 to the financial statements.

COUNCIL MEMBERS

The Members of the Council during the year, who are directors as defined by the Companies Act 1985, were as follows:

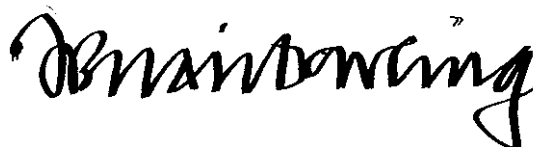
Mr Brian Dowling	Chairman
Mr Oliver Rowell	Deputy Chairman
Mr Derrick Mead LVO	Treasurer
Mrs Valerie Barrow	
Mr William Beale Collins	
Mr Peter Eweje	
Mrs Francoise Findlay	
Mrs Moira Gibb	
Mrs Joceline Graham	
Miss Davina Hodson	
Mr Zauhar Meghji	
Mrs Sylvia Quayle	
Mrs Marjorie Saywood	
Dr Stephen Webster	
Mrs Dorothy White OBE	
Mr Antony Chancellor	(resigned 31 December 1994)
The Rt Hon The Lord Ennals	(resigned 27 September 1994)
The Rt Hon The Lord Westbury MC DL	(resigned 26 May 1994)

AUDITORS

On 1 October 1994 our auditors, BDO Binder Hamlyn, joined the Arthur Andersen worldwide organisation and now practise in the name, Binder Hamlyn. They have signed their audit report in their new name. In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Council on *6 April 1995*

Chairman



BINDER HAMLYN

20 Old Bailey
London EC4M 7BH

AUDITORS' REPORT

to the members of Counsel and Care for the Elderly

We have audited the financial statements on pages 4 to 13 which have been prepared on the basis of the accounting policies set out on pages 7 and 8.

Respective responsibilities of Council Members and auditors

As described on page 1, the Council Members are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council Members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1994 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants
Registered Auditors

26 April 1995

COUNSEL AND CARE FOR THE ELDERLY

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 1994

	Notes	Unrestricted Funds	Restricted Funds		1994	1993
			Administered Grants	Special Projects	Total	Total
		£	£	£	£	£
INCOME AND EXPENDITURE						
INCOMING RESOURCES						
Donations and grants						
- unrestricted		226,740	-	-	226,740	280,451
- restricted		-	53,527	132,934	186,461	256,827
Legacies		35,713	-	-	35,713	189,243
Income from other sources	3	86,757	-	-	86,757	105,812
Total incoming resources		349,210	53,527	132,934	535,671	832,333
RESOURCES USED						
Direct Charitable Expenditure						
Advice work						
- Staff salaries and pensions	4	175,628	-	104,743	280,371	267,431
- Support costs	5	102,805	-	43,905	146,710	173,650
Grants and fees						
- Counsel and Care	6	21,863	-	-	21,863	26,167
- Administered Grants	6	-	56,499	-	56,499	61,741
		300,296	56,499	148,648	505,443	528,989
Other Expenditure						
Appeals						
- Staff salaries and pensions	4	83,024	-	-	83,024	78,102
- Consultants' fees and expenses		-	-	-	-	1,577
- Support costs	5	30,438	-	-	30,438	26,175
Administration and finance						
- Staff salaries and pensions	4	41,893	-	-	41,893	37,419
- Other overheads	5	24,428	-	-	24,428	20,266
Central expenses	7	39,192	-	3,570	42,762	35,874
		218,975	-	3,570	222,545	199,413
Total resources used		519,271	56,499	152,218	727,988	728,402
		(170,061)	(2,972)	(19,284)	(192,317)	103,931
Reduction in provision for clients' grants and fees		15,000	-	-	15,000	-
Net (outgoing)/incoming resources for the year carried forward		(155,061)	(2,972)	(19,284)	(177,317)	103,931

COUNSEL AND CARE FOR THE ELDERLY

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 1994

	Notes	Unrestricted Funds	Restricted Funds		1994	1993
			Administered Grants	Special Projects	Total	Total
		£	£	£	£	£
Net (outgoing)/incoming resources for the year brought forward		(155,061)	(2,972)	(19,284)	(177,317)	103,931
Gains and losses on investments						
Unrealised		(62,215)	-	-	(62,215)	19,122
Realised		-	-	-	-	(1,219)
		(217,276)	(2,972)	(19,284)	(239,532)	121,834
Transfer to the Relatives Association		-	-	-	-	(26,664)
Net movement in funds		(217,276)	(2,972)	(19,284)	(239,532)	95,170
Funds at 1 January 1994		616,350	33,647	60,118	710,115	614,945
Funds at 31 December 1994		399,074	30,675	40,834	470,583	710,115

COUNSEL AND CARE FOR THE ELDERLY

BALANCE SHEET as at 31 December 1994

	Notes	Unrestricted Funds	Restricted Funds		1994	1993
			Administered Grants	Special Projects	Total	Total
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	8	33,809	-	17,852	51,661	34,588
Investments	9	359,845	-	-	359,845	422,060
		393,654	-	17,852	411,506	456,648
CURRENT ASSETS						
Stock		10,234	-	-	10,234	7,129
Debtors	10	36,021	-	-	36,021	39,291
Short term deposits		-	-	-	-	160,000
Cash at bank and in hand		(5,849)	32,174	22,982	49,307	105,933
		40,406	32,174	22,982	95,562	312,353
CREDITORS: amounts falling due within one year	11	(24,986)	(1,499)	-	(26,485)	(33,886)
Net current assets		15,420	30,675	22,982	69,077	278,467
Total assets less current liabilities		409,074	30,675	40,834	480,583	735,115
Provision for liabilities and charges	12	(10,000)	-	-	(10,000)	(25,000)
NET ASSETS		399,074	30,675	40,834	470,583	710,115
FUNDS EMPLOYED		399,074	30,675	40,834	470,583	710,115

The financial statements on pages 4 to 13 were approved by the Council on

6 April 95

Members of the Council

David Mead

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

-
- 1 Counsel and Care, whose full title is Counsel and Care for the Elderly, is a registered charity and a company limited by guarantee and does not have a share capital. It is licensed by the Secretary of State for the Department of Trade and Industry to omit the word "limited".

2 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, as modified by the revaluation of investments.

The financial statements, incorporating a Statement of Financial Activities, have been prepared in accordance with the draft Statement of Recommended Practice Number 2 (SORP2) and applicable accounting standards.

(b) Fund accounting

General unrestricted funds comprise accumulated surpluses and deficits on general funds and the cumulative realised and unrealised gains and losses on investments. They are available for use at the discretion of the Council in furtherance of the general charitable objectives of Counsel and Care.

Designated funds are amounts which have been put aside at the discretion of the Council. The Legacy Fund is presently the only designated fund. 80% of the legacy income received each year is appropriated to the Legacy Fund, and one quarter of the amount appropriated is released to the General Fund in each of the following four years.

Restricted funds are funds subject to specific conditions imposed by the donors.

(c) Administered grants and special projects

The company administers funds on behalf of other charities and trusts and carries out special projects specifically funded by other organisations. The sums received are treated as restricted funds and are credited to the statement of financial activities upon receipt. Unexpended funds at the year end are carried forward for future use.

(d) Incoming resources

Incoming resources from donations, grants and legacies, are treated as income when the funds are received. Other income is included on a receivable basis.

Income from legacies includes, where applicable, income earned during the period of administration of the testator's estate.

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

2 ACCOUNTING POLICIES *continued*

(e) Resources used

Expenditure, other than central expenses, is divided between advice work, appeals and administration and finance. This is allocated on an actual basis or, where this is not possible, on an estimated usage basis.

Expenditure is stated net of any VAT that is recoverable.

(f) Pension costs

The charge to the statement of financial activities represents contributions payable to personal pension schemes.

(g) Tangible fixed assets

Depreciation is computed, from the month of purchase, on the cost of each asset at the following annual rates:

Leasehold improvements	- 10%
Furniture and fittings	- 20%
Computer and office equipment	- 25%

(h) Investments

Investments are stated at market valuation. Gains and losses, both realised and unrealised, are disclosed in the statement of financial activities.

(i) Stocks

Stocks of publications are stated at the lower of cost and net realisable value. Provision is made both for slow moving items and for publications distributed free of charge.

(j) Provision for clients' grants and fees

As part of its activities, the company provides "Care at Home" grants and pays nursing home fees to or on behalf of clients. Whilst the company has not entered into any legally binding commitments to continue to pay these grants and fees, the Council considers that a provision should be made to enable the cost of such services to be funded for a period of at least six months.

(k) Cash flow statement

A cash flow statement has not been prepared as the company has taken advantage of the small companies' exemption afforded by Financial Reporting Standard No.1.

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

	1994 £	1993 £
3 INCOME FROM OTHER SOURCES		
Interest on deposits	6,311	10,851
Investment income	35,550	40,243
Publications	17,768	23,767
Fees for conferences and training	12,895	19,456
Other activities	14,233	11,495
	86,757	105,812

4 EMPLOYEE COSTS

The average number of employees during the year was as follows:	Number	Number
Advice work department	14	14
Appeals department	3	3
Administration and finance department	5	5
	22	22

Employee costs during the year were:	£	£
Salaries	359,481	339,122
Social security costs	35,747	34,299
Pension costs	10,060	9,531
	405,288	382,952

Where appropriate, employee costs of the administration and finance department have been allocated to the advice work and appeals departments. Total employee costs have been allocated in the statement of financial activities as follows:

Advice work	280,371	267,431
Appeals	83,024	78,102
Administration and finance	41,893	37,419
	405,288	382,952

The earnings of only one employee exceeded £30,000 and fell within the £45,001 - £50,000 band.

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

	1994 £	1993 £
5 OVERHEAD EXPENDITURE		
Expenditure on overheads is made up as follows:		
Rent, rates and maintenance of premises	69,785	60,745
Light and heat	3,033	3,392
Printing and stationery	35,060	42,629
Telephone and postage	19,130	21,554
Maintenance of computer and office equipment	26,335	21,846
Publicity and advertising	24,315	23,324
Travelling expenses	6,199	6,220
Staff recruitment and courses	13,363	11,899
Other expenditure on special projects	4,356	28,482
	201,576	220,091

This expenditure has been allocated as set out in note 2(e) as follows:

Advice work - support costs	146,710	173,650
Appeals - support costs	30,438	26,175
Administration and finance	24,428	20,266
	201,576	220,091

6 GRANTS AND FEES

Counsel and Care:

'Care at Home' grants	792	4,497
Nursing home fees	17,442	21,367
Single need payments	3,629	303
	21,863	26,167

Administered Grants:

'Care at Home' grants	849	3,143
Nursing home fees	27,978	26,762
Single need payments	27,672	31,836
	56,499	61,741

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

	1994 £	1993 £		
7 CENTRAL EXPENSES				
Depreciation	16,709	14,508		
Write down of fixed assets no longer in use	2,279	-		
Professional fees	2,393	4,199		
Auditors' remuneration				
- audit fees	7,789	7,873		
- non audit fees	1,885	2,571		
Bad debt provision	1,319	-		
Sundries	10,388	6,723		
	42,762	35,874		
8 TANGIBLE FIXED ASSETS				
	Leasehold improve- ments £	Furniture and fittings £	Computers and office equipment £	Total £
Cost or valuation				
1 January 1994	34,133	45,242	92,421	171,796
Additions	-	632	35,429	36,061
Elimination of assets no longer in use	-	-	(21,148)	(21,148)
31 December 1994	34,133	45,874	106,702	186,709
Accumulated depreciation				
1 January 1994	19,535	40,496	77,177	137,208
Charge for the year	3,413	1,151	12,145	16,709
Elimination of assets no longer in use	-	-	(18,869)	(18,869)
31 December 1994	22,948	41,647	70,453	135,048
Net book value				
31 December 1994	11,185	4,227	36,249	51,661
Net book value				
31 December 1993	14,598	4,746	15,244	34,588

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

	1994 £	1993 £
9 INVESTMENTS		
Fixed interest stocks at market value		
1 January 1994	422,060	300,875
Additions	-	304,653
Disposals	-	(202,590)
Net unrealised (losses)/gains during the year	(62,215)	19,122
31 December 1994	359,845	422,060

The investments at 31 December 1994 were acquired at a cost of £404,342 (1993: £404,342).

10 DEBTORS

Amount due from CCE (Commercial) Ltd	3,000	1,260
Income tax recoverable	1,885	2,296
Other debtors	1,691	5,535
Prepayments and accrued income	29,445	30,200
	36,021	39,291

CCE (Commercial) Ltd is a trading company, registered in England, under common secretarial administration with Counsel and Care, but whose directors and shareholders are not nominees of Counsel and Care. The company has entered into a covenant to pay any profits over to Counsel and Care.

11 CREDITORS: amounts falling due within one year

Social security and other taxes	10,745	9,768
Accruals	15,740	23,608
Deferred income	-	510
	26,485	33,886

12 PROVISION FOR LIABILITIES AND CHARGES

Provision for clients' grants and fees

1 January 1994	25,000	25,000
Transfer to Unrestricted Funds	(15,000)	-
31 December 1994	10,000	25,000

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

13 UNRESTRICTED FUNDS

	General Fund £	Legacy Fund £	Total £
1 January 1994	308,850	307,500	616,350
Net movement in funds during the year	(217,276)	-	(217,276)
Appropriations between Legacy Fund and General Fund in respect of:			
prior years' legacies	89,850	(89,850)	-
1994 legacies	(28,570)	28,570	-
31 December 1994	152,854	246,220	399,074

Appropriations to and from the Legacy Fund are made in accordance with the policy set out in note 2(b).

14 ACKNOWLEDGEMENT OF GRANTS

The following are grants received during 1994 which the company wishes to record individually.

Department of Health

Awarded under Section 64 of the Health Services and Public Health Act 1968.	Towards the cost of Community Care	<u>£60,000</u>
	Towards the cost of the purchase of computer equipment	<u>£25,000</u>

Disclosure of the following local authority grants is in accordance with Section 37 of the Local Government and Housing Act 1989.

London Borough Grants Scheme

Applied as a contribution to the
costs of providing the advice
service to older people, their
carers and relatives in Greater
London.

£23,734

London Borough of Wandsworth

Applied as a contribution towards
the cost of services for older people
in the London Borough of Wandsworth.

£3,660