

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

REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 1995

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 1995

FINANCIAL STATEMENTS

The Council presents its report and financial statements for the year ended 31 December 1995.

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 1995/96.

FINANCIAL RESULTS

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting for Charities. During the year the resources held on Unrestricted Funds decreased by £70,698, before taking into account net investment gains of £22,486.

Legacies received during the year amounted to £148,235 compared with £35,713 in 1994. This was the major factor underlying the increase in income 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 1995, there was a net transfer to the Legacy Fund this year of £21,597 and on this basis the resources held in the General Fund fell by £92,295 before investment gains.

COUNSEL AND CARE FOR THE ELDERLY

REPORT OF THE COUNCIL for the year ended 31 December 1995

FINANCIAL RESULTS (continued)

At 31 December 1995, reserves amounted to £350,862 and, in addition, the charity held funds of £80,180 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

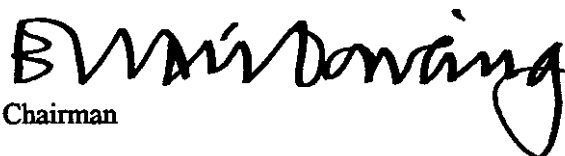
The Members of the Council during the year, who are directors as defined by the Companies Act 1985, were as follows:

Mr Brian Dowling	Chairman
Mr Oliver Rowell	Deputy Chairman
Mr Derrick Mead LVO	Treasurer
Mrs Valerie Barrow	
Mr William Beale Collins	(deceased 13 April 1996)
Mr Peter Eweje	
Mr Peter Ferrari	(appointed 1 January 1995)
Mrs Francoise Findlay	
Mrs Moira Gibb	
Mrs Joceline Graham	
Dr Monica Greenwood	(appointed 14 December 1995)
Mr Wally Harbert OBE	(appointed 14 December 1995)
Miss Davina Hodson	
Mr Zauhar Meghji	
Mr Ewart Myer	(appointed 14 December 1995)
Mrs Sylvia Quayle	
Mrs Marjorie Saywood	
Mr John Skinner	(appointed 14 December 1995)
Dr Stephen Webster	
Mrs Dorothy White OBE	

AUDITORS

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 23 April 1996.


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.

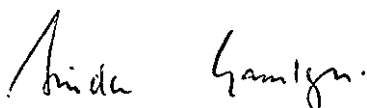
Basis of opinion

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 1995 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

23 April 1996

COUNSEL AND CARE FOR THE ELDERLY

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 1995

	Notes	Unrestricted Funds	Restricted Funds		1995 Total	1994 Total
			Administered Grants	Special Projects		
		£	£	£	£	£
INCOME AND EXPENDITURE						
INCOMING RESOURCES						
Donations and grants						
- unrestricted		235,827	-	-	235,827	226,740
- restricted		-	59,780	140,456	200,236	186,461
Legacies		148,235	-	-	148,235	35,713
Income from other sources	3	105,496	-	-	105,496	86,757
Total incoming resources		489,558	59,780	140,456	689,794	535,671
RESOURCES USED						
Direct Charitable Expenditure						
Advice work						
- Staff salaries and pensions	4	214,225	-	106,505	320,730	280,371
- Support costs	5	112,148	-	28,930	141,078	146,710
Grants and fees						
- Counsel and Care	6	19,620	-	-	19,620	21,863
- Administered Grants	6	-	45,302	-	45,302	56,499
		345,993	45,302	135,435	526,730	505,443
Other Expenditure						
Appeals						
- Staff salaries and pensions	4	88,140	-	-	88,140	83,024
- Support costs	5	29,019	-	-	29,019	30,438
Administration and finance						
- Staff salaries and pensions	4	41,547	-	-	41,547	41,893
- Other overheads	5	22,710	-	-	22,710	24,428
Central expenses	7	32,847	-	10,828	43,675	42,762
		214,263	-	10,828	225,091	222,545
Total resources used		560,256	45,302	146,263	751,821	727,988
		(70,698)	14,478	(5,807)	(62,027)	(192,317)
Reduction in provision for clients' grants and fees		-	-	-	-	15,000
Net (outgoing)/incoming resources for the year carried forward		(70,698)	14,478	(5,807)	(62,027)	(177,317)

COUNSEL AND CARE FOR THE ELDERLY

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 1995

	Unrestricted Funds	Restricted Funds Administered Grants	Special Projects	1995 Total	1994 Total
	£	£	£	£	£
Net (outgoing)/incoming resources for the year brought forward	(70,698)	14,478	(5,807)	(62,027)	(177,317)
Gains and losses on investments					
Unrealised	22,560	-	-	22,560	(62,215)
Realised	(74)	-	-	(74)	-
Net movement in funds	(48,212)	14,478	(5,807)	(39,541)	(239,532)
Funds at 1 January 1995	399,074	30,675	40,834	470,583	710,115
Funds at 31 December 1995	350,862	45,153	35,027	431,042	470,583

COUNSEL AND CARE FOR THE ELDERLY

BALANCE SHEET as at 31 December 1995

	Notes	Unrestricted Funds	Restricted Funds Administered Grants	Special Projects	1995 Total	1994 Total
		£	£	£	£	£
FIXED ASSETS						
Tangible assets	8	30,192	-	7,024	37,216	51,661
Investments	9	357,454	-	-	357,454	359,845
		387,646	-	7,024	394,670	411,506
CURRENT ASSETS						
Stock		14,182	-	-	14,182	10,234
Debtors and prepayments	10	33,155	-	-	33,155	36,021
Cash at bank and in hand		(45,644)	47,742	28,003	30,101	49,307
		1,693	47,742	28,003	77,438	95,562
CREDITORS: amounts falling due within one year	11	(28,477)	(2,589)	-	(31,066)	(26,485)
Net current assets		(26,784)	45,153	28,003	46,372	69,077
Total assets less current liabilities		360,862	45,153	35,027	441,042	480,583
Provision for liabilities and charges	12	(10,000)	-	-	(10,000)	(10,000)
NET ASSETS		350,862	45,153	35,027	431,042	470,583
FUNDS EMPLOYED		350,862	45,153	35,027	431,042	470,583

The financial statements on pages 4 to 13 were approved by the Council on 23 April 1996.

Burns & Dunning

D. F. ...

Members of the Council

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 Statement of Recommended Practice: Accounting for Charities and applicable accounting standards other than in respect of legacies as set out in 2(d).

(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. Interest earned on unexpended funds is treated as a contribution towards core activities.

(d) Incoming resources

Incoming resources from donations and grants are treated as income when the funds are received, unless the existence of a legal binding commitment warrants the receivable basis to be applied. Legacies are also treated as income when the funds are received; it is considered impracticable to apply the receivable basis by reason of delays in notification of legacies and uncertainty as to values. Other income is generally 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 dealt with in the Statement of Financial Activities.

(i) Stocks

Stocks of publications are stated at the lower of cost and net realisable value.

(j) Provision for clients' grants and fees

As part of its activities, the company pays nursing home fees to or on behalf of clients and makes single need payments to older people at home. 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

	1995 £	1994 £
3 INCOME FROM OTHER SOURCES		
Interest on deposits	3,038	6,311
Investment income	33,933	35,550
Publications	37,461	17,768
Fees for conferences and training	19,297	12,895
Other activities	11,767	14,233
	105,496	86,757

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	400,885	359,481
Social security costs	40,017	35,747
Pension costs	9,515	10,060
	450,417	405,288

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	320,730	280,371
Appeals	88,140	83,024
Administration and finance	41,547	41,893
	450,417	405,288

The earnings of only one employee exceeded £40,000 and fell within the £50,000 - £60,000 band.

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

5 OVERHEAD EXPENDITURE

	1995 £	1994 £
Expenditure on overheads is made up as follows:		
Rent, rates and maintenance of premises	66,131	69,785
Light and heat	2,782	3,033
Printing and stationery	36,327	35,060
Telephone and postage	16,182	19,130
Maintenance of computer and office equipment	18,251	26,335
Publicity and advertising	28,641	24,315
Travelling expenses	8,570	6,199
Staff recruitment and courses	13,619	13,363
Other expenditure on special projects	2,304	4,356
	192,807	201,576

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

Advice work - support costs	141,078	146,710
Appeals - support costs	29,019	30,438
Administration and finance	22,710	24,428
	192,807	201,576

6 GRANTS AND FEES

Counsel and Care:

Nursing home fees	13,366	17,442
Single need payments	6,294	3,629
'Care at Home' grants	(40)	792
	19,620	21,863

Administered Grants:

Nursing home fees	22,097	27,978
Single need payments	23,245	27,672
'Care at Home' grants	(40)	849
	45,302	56,499

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

7 CENTRAL EXPENSES

	1995 £	1994 £
Depreciation	18,184	16,709
Write down of fixed assets	6,646	2,279
Professional fees	2,500	2,393
Auditors' remuneration		
- audit fees	8,098	7,789
- non audit fees	1,621	1,885
Bad debt provision	-	1,319
Sundries	6,626	10,388
	43,675	42,762

8 TANGIBLE FIXED ASSETS

	Leasehold improve- ments £	Furniture and fittings £	Computers and office equipment £	Total £
Cost or valuation				
1 January 1995	34,133	45,874	106,702	186,709
Additions	-	234	10,151	10,385
Assets no longer in use	-	-	(9,383)	(9,383)
31 December 1995	34,133	46,108	107,470	187,711
Accumulated depreciation				
1 January 1995	22,948	41,647	70,453	135,048
Charge for the year	3,413	1,256	13,515	18,184
Assets no longer in use	-	-	(2,737)	(2,737)
31 December 1995	26,361	42,903	81,231	150,495
Net book value				
31 December 1995	7,772	3,205	26,239	37,216
Net book value				
31 December 1994	11,185	4,227	36,249	51,661

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

9 INVESTMENTS

	1995	1994
	£	£
Fixed interest stocks at market value		
1 January 1995	359,845	422,060
Additions	-	-
Disposal proceeds	(24,877)	-
Net realised loss	(74)	-
Disposals at book value	(24,951)	-
	334,894	422,060
Net gains/(losses) on revaluation at year end	22,560	(62,215)
31 December 1995	357,454	359,845

The investments at 31 December 1995 were acquired at a cost of £374,812 (1994: £404,342).

10 DEBTORS

	1995	1994
	£	£
Amount due from CCE (Commercial) Ltd	36	3,000
Income tax recoverable	2,092	1,885
Other debtors	1,428	1,691
Prepayments and accrued income	29,599	29,445
	33,155	36,021

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	10,212	10,745
Accruals	20,854	15,740
	31,066	26,485

12 PROVISION FOR LIABILITIES AND CHARGES

Provision for clients' grants and fees		
1 January 1995	10,000	25,000
Transfer to Unrestricted Funds	-	(15,000)
31 December 1995	10,000	10,000

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

13 UNRESTRICTED FUNDS

	General Fund £	Legacy Fund £	Total £
1 January 1995	152,854	246,220	399,074
Net movement in Unrestricted Funds during the year	(48,212)	-	(48,212)
Appropriations between Legacy Fund and General Fund in respect of:			
Prior years' legacies	96,991	(96,991)	-
1995 legacies	(118,588)	118,588	-
31 December 1995	83,045	267,817	350,862

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

14 CAPITAL COMMITMENT

	1995 £	1994 £
At 31 December 1995, the Council had placed orders for capital expenditure as follows	7,500	-

15 ACKNOWLEDGEMENT OF GRANTS

The following are grants received during 1995 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 **£52,500**

Disclosure of the following local authority grant 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.

£19,066