

645708

Counsel and Care for the Elderly

(a company limited by guarantee)

Accounts 31 December 1997
together with Council's and Auditors' reports

Company number: 645708

Registered Charity number: ~~203429~~



Counsel and Care for the Elderly

Report of the Council

For the year ended 31 December 1997

Financial Statements

The Council presents its report and financial statements for the year ended 31 December 1997.

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to older people, their carers and relatives. Its principal activities are the provision of an advice service and 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 1997/98.

Financial results

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting by Charities. During the year the resources held on Unrestricted Funds decreased by £97,419 before taking into account net investment losses of £2,527.

Legacies receivable during the year amounted to £39,819 compared with £122,903 in 1996. As explained in the Accounting Policies, income from legacies has been included in the Statement of Financial Activities on a receivable basis. This has been done to bring the accounting for this income into line with the Statement of Recommended Practice for Charities. At the same time, we have ceased to make appropriations to or from the Legacy Fund. The level of income from other sources has not enabled us to even out the effect of fluctuations in legacy income as had been anticipated when the Legacy Fund was set up. The balance on the Legacy Fund has been transferred to the General Fund.

Counsel and Care for the Elderly

Report of the Council (continued)

Financial results (continued)

At 31 December 1997, unrestricted reserves amounted to £173,306 and, in addition, the charity held funds of £109,433 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.

Council members

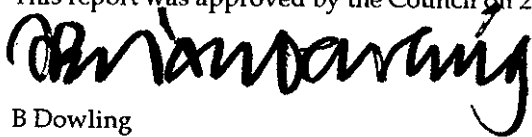
The Members of the Council during the year, who are directors as defined by the Companies Act 1985, were as follows:

	Mr Brian Dowling	Chairman	
	Mr Oliver Rowell	Deputy Chairman	
	Mr Derrick Mead LVO	Treasurer	
Mrs Valerie Barrow		Miss Pamela Hibbs	(appointed 9 September 1997)
Mr Anthony Douglas	(appointed 15 December 1997)	Miss Davina Hodson	
Mr Peter Ferrari		Mr Zauhar Meghji	
Mrs Francoise Findlay		Mr Ewart Myer	(resigned 10 June 1997)
Mrs Moira Gibb	(resigned 10 June 1997)	Mrs Sylvia Quayle	
Mrs Joceline Graham		Mrs Marjorie Saywood	
Mrs Diana Grassie	(appointed 15 December 1997)	Mr John Skinner	
Dr Monica Greenwood		Dr Stephen Webster	
Mr Wally Harbert OBE		Mrs Dorothy White OBE	(resigned 10 June 1997)

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Binder Hamlyn be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Council on 22 April 1998.



B Dowling
Chairman

Twyman House
16 Bonny Street
London NW1 9PG

BINDER HAMLYN

Andersen Worldwide

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 15 which have been prepared under the historical cost convention, as modified by the revaluation of investments, and 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 the 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 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.

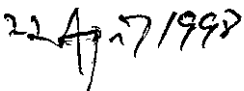
Opinion

In our opinion the financial statements give a true and fair view of the company's state of affairs at 31 December 1997 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Binder Hamlyn

Chartered Accountants and Registered Auditors



Counsel and Care for the Elderly

Statement of financial activities

Incorporating an income and expenditure account

For the year ended 31 December 1997

	Notes	Unrestricted Funds £	Restricted funds		1997 Total £	1996 As restated Total £
			Administered Grants £	Funded Projects £		
Incoming resources						
Donations and grants						
- unrestricted		223,541	-	-	223,541	214,468
- restricted		-	58,837	260,430	319,267	225,363
Legacies		39,819	-	-	39,819	122,903
Income from other sources	3	135,692	-	-	135,692	98,331
Total incoming resources		399,052	58,837	260,430	718,319	661,065
Resources used						
Direct Charitable Expenditure						
Advice work						
- Staff salaries and pensions	4	182,781	-	172,391	355,172	326,061
- Support costs	5	86,827	-	64,156	150,983	128,404
Grants and fees						
- Counsel and Care	6	1,751	-	-	1,751	7,414
- Administered Grants	6	-	48,674	-	48,674	52,663
		271,359	48,674	236,547	556,580	514,542
Other Expenditure						
Appeals						
- Staff salaries and pensions	4	86,571	-	-	86,571	88,550
- Support costs	5	16,054	-	-	16,054	18,530
Administration and finance						
- Staff salaries and pensions	4	43,919	-	-	43,919	41,772
- Other overheads	5	16,054	-	-	16,054	18,530
Fundraising and publicity		30,284	-	4,839	35,123	25,667
Central expenses	7	37,230	-	4,214	41,444	36,240
		230,112	-	9,053	239,165	229,289
Total resources used		501,471	48,674	245,600	795,745	743,831
		(102,419)	10,163	14,830	(77,426)	(82,766)
Reduction in provision for clients' grants and fees						
		5,000	-	-	5,000	5,000
Net (outgoing)/incoming resources for the year carried forward						
		(97,419)	10,163	14,830	(72,426)	(77,766)

Counsel and Care for the Elderly

Statement of financial activities (continued)

Incorporating an income and expenditure account

For the year ended 31 December 1997

	Unrestricted Funds £	Restricted funds		1997 Total £	1996 As restated Total £
		Administered Grants £	Funded Projects £		
Net (outgoing)/incoming resources for the year brought forward	(97,419)	10,163	14,830	(72,426)	(77,766)
Gains and losses on investments					
Unrealised	-	-	-	-	(6,400)
Realised	(2,527)	-	-	(2,527)	(7,384)
Net movement in funds	(99,946)	10,163	14,830	(74,953)	(91,550)
Fund balances at 1 January 1997 as previously stated	260,952	47,353	37,087	345,392	431,042
Prior year adjustment	12,300	-	-	12,300	18,200
Fund balances at 1 January 1997 as adjusted	273,252	47,353	37,087	357,692	449,242
Funds at 31 December 1997	173,306	57,516	51,917	282,739	357,692

All operations of the company continued throughout both periods and no operations were acquired or discontinued.

The company has no other recognised gains and losses other than those stated above. The deficit for the year for Companies Act 1985 purposes would exclude unrealised losses on investments and would be £74,953 (1996: £85,150).

Counsel and Care for the Elderly

Balance sheet

31 December 1997

			Restricted funds		1997	1996
	Notes	Unrestricted Funds £	Administered Grants £	Funded Projects £	Total £	As restated Total £
Fixed assets						
Tangible assets	8	19,615	-	7,242	26,857	31,112
Investments	9	-	-	-	-	159,333
		<u>19,615</u>	<u>-</u>	<u>7,242</u>	<u>26,857</u>	<u>190,445</u>
Current assets						
Stock		18,041	-	-	18,041	12,550
Debtors	10	57,955	-	-	57,955	51,549
Cash at bank and in hand		<u>120,983</u>	<u>59,663</u>	<u>44,675</u>	<u>225,321</u>	<u>143,038</u>
		196,979	59,663	44,675	301,317	207,137
Creditors: amounts falling due within one year						
	11	<u>(29,288)</u>	<u>(2,147)</u>	<u>-</u>	<u>(31,435)</u>	<u>(34,890)</u>
Net current assets		<u>167,691</u>	<u>57,516</u>	<u>44,675</u>	<u>269,882</u>	<u>172,247</u>
Total assets less current liabilities						
		187,306	57,516	51,917	296,739	362,692
Creditors: amounts falling due after one year						
	12	(14,000)	-	-	(14,000)	-
Provision for liabilities and charges	13	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>
Net assets		<u>173,306</u>	<u>57,516</u>	<u>51,917</u>	<u>282,739</u>	<u>357,692</u>
Funds employed		<u>173,306</u>	<u>57,516</u>	<u>51,917</u>	<u>282,739</u>	<u>357,692</u>

The financial statements on pages 4 to 15 were approved by the Council on 22 April 1998.

B Dowling

B Dowling
Chairman

D F Mead

D F Mead
Treasurer

Counsel and Care for the Elderly

Notes to the financial statements

1 Company status

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 preparation

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 by Charities 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 set aside at the discretion of the Council. No further appropriations are to be made to or from the Legacy Fund in accordance with the previous formula and the balance on the Legacy Fund has been transferred to the General Fund. There are at present no other designated funds.

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

c) Administered Grants and Funded Projects

The company administers funds on behalf of other charities and trusts and carries out projects specifically funded by other organisations (previously referred to as special projects). 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.

The policy for accounting for legacies was changed during the year. In compliance with the Statement of Recommended Practice: Accounting by Charities, legacies are recorded as income on a receivable basis. The comparative figures in the primary statements and notes and the brought forward funds have been restated to reflect the new policy. Legacies are treated as receivable when notification of the bequest has been received and there is certainty of the receipt and the amount is quantifiable. Income from legacies includes, where applicable, income earned during the period of administration of the testator's estate. Other income is generally included on a receivable basis.

Counsel and Care for the Elderly

Notes to the financial statements (continued)

2 Accounting policies (continued)

e) Resources used

Expenditure, other than fundraising, publicity and 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) Depreciation

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) 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.

3 Income from other sources

	1997 £	1996 £
Interest on deposits	10,206	3,413
Investment income	2,973	23,239
Publications	47,037	33,474
Fees for conferences and training	46,437	34,103
Special fundraising events	20,289	3,921
Marketing project subsidy	7,735	-
Other income	1,015	181
	<u>135,692</u>	<u>98,331</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

4 Employment costs

	1997 Number	1996 Number
The average number of employees during the year was as follows:		
Advice work	14	13
Appeals	3	3
Administration and finance	5	5
	<u>22</u>	<u>21</u>

Employee costs during the year were:

	£	£
Salaries	428,664	402,737
Social security costs	42,344	39,931
Pension costs	14,654	13,715
	<u>485,662</u>	<u>456,383</u>

When 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:

	1997 £	1996 £
Advice work	355,172	326,061
Appeals	86,571	88,550
Administration and finance	43,919	41,772
	<u>485,662</u>	<u>456,383</u>

The earnings of only one employee exceeded £40,000 and fell within the £50,000 - £60,000 band. The directors neither received nor waived any emoluments during this year or the prior year.

Counsel and Care for the Elderly

Notes to the financial statements (continued)

5 Overhead expenditure

	1997 £	1996 £
Expenditure on overheads is made up as follows:		
Rent, rates and maintenance of premises	65,947	67,318
Light and heat	2,633	2,693
Printing and stationery	47,144	39,126
Telephone and postage	22,317	17,777
Maintenance of computer and office equipment	11,504	12,887
Travelling expenses	12,813	10,864
Staff recruitment and development	10,564	12,341
Professional fees	6,300	-
Other expenditure on funded projects	3,869	2,458
	<u>183,091</u>	<u>165,464</u>

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

Advice work - support costs	150,983	128,404
Appeals - support costs	16,054	18,530
Administration and finance	16,054	18,530
	<u>183,091</u>	<u>165,464</u>

6 Grants and fees

	1997 £	1996 £
Counsel and Care:		
Nursing home fees	1,751	6,244
Single need payments	-	1,170
	<u>1,751</u>	<u>7,414</u>
Administered Grants:		
Nursing home fees	26,671	29,907
Single need payments	22,003	22,756
	<u>48,674</u>	<u>52,663</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

7 Central expenses

	1997 £	1996 £
Depreciation	16,370	14,880
Professional fees	5,496	2,065
Auditors' remuneration		
- audit fees	9,437	8,710
- non audit fees	2,274	2,480
Sundries	7,867	8,105
	<u>41,444</u>	<u>36,240</u>

8 Tangible fixed assets

	Leasehold improvements £	Furniture and fittings £	Computers and office equipment £	Total £
Cost or valuation				
1 January 1997	42,173	10,912	95,141	148,226
Additions	-	93	12,022	12,115
Assets no longer in use	-	-	(8,871)	(8,871)
31 December 1997	<u>42,173</u>	<u>11,005</u>	<u>98,292</u>	<u>151,470</u>
Accumulated depreciation				
1 January 1997	30,176	8,411	78,527	117,114
Charge for the year	4,217	1,227	10,926	16,370
Assets no longer in use	-	-	(8,871)	(8,871)
31 December 1997	<u>34,393</u>	<u>9,638</u>	<u>80,582</u>	<u>124,613</u>
Net book value				
31 December 1997	<u>7,780</u>	<u>1,367</u>	<u>17,710</u>	<u>26,857</u>
31 December 1996	<u>11,997</u>	<u>2,501</u>	<u>16,614</u>	<u>31,112</u>

Certain leasehold improvements and some computer equipment have been financed by outside funders as individual projects. The net book value of these assets at 31 December 1997 amounted to £7,242 (1996: £7,636) and has been included within restricted funds in the balance sheet.

Counsel and Care for the Elderly

Notes to the financial statements (continued)

9 Investments

	1997 £	1996 £
Listed investments		
Fixed interest stocks at market value		
1 January 1997	159,333	357,454
Disposal proceeds	(156,806)	(184,337)
Net realised loss	(2,527)	(7,384)
Disposals at book value	(159,333)	(191,721)
	-	165,733
Net (losses)/gains on revaluation at year end	-	(6,400)
31 December 1997	-	159,333

No investments were held at 31 December 1997. The investments at 31 December 1996 were acquired at a cost of £174,796.

10 Debtors

	1997 £	1996 As restated £
Income tax recoverable	2,879	5,065
Other debtors	1,476	2,567
Prepayments and accrued income	24,900	31,617
Legacies receivable	28,700	12,300
	57,955	51,549

11 Creditors: amounts falling due within one year

	1997 £	1996 £
Social security and other taxes	12,544	11,879
Accruals	18,891	23,011
	31,435	34,890

Counsel and Care for the Elderly

Notes to the financial statements (continued)

12 Creditors: amounts falling due after one year

	1997 £	1996 £
Loan	<u>14,000</u>	<u>-</u>

The loan is from The Housing Associations Charitable Trust. It is repayable in 5 equal annual instalments with the first repayment due on 1 May 2002.

of which amounts payable:

	£
Between one and two years	-
Between two and five years	2,800
After 5 years	<u>11,200</u>
	<u>14,000</u>

13 Provision for liabilities and charges

	1997 £	1996 £
Provision for clients' grants and fees		
1 January 1997	5,000	10,000
Released in year	<u>(5,000)</u>	<u>(5,000)</u>
31 December 1997	<u>-</u>	<u>5,000</u>

14 Unrestricted funds

	General Fund £	Legacy Fund £	Total £
1 January 1997 as previously stated	16,731	244,221	260,952
Prior year adjustment	<u>12,300</u>	<u>-</u>	<u>12,300</u>
1 January 1997 as adjusted	29,031	244,221	273,252
Net movement in unrestricted funds during the year	(99,946)	-	(99,946)
Transfer of legacy fund to General Funds	<u>244,221</u>	<u>(244,221)</u>	<u>-</u>
31 December 1997	<u>173,306</u>	<u>-</u>	<u>173,306</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

15 Restricted funds

	Balance 1 January 1997 £	Income 1997 £	Total Grant £	Expenditure 1997 £	Balance 31 December 1997 £
Funded projects					
Capital projects	7,636	-	7,636	3,814	3,822
Ethnic minorities	8,613	11,500	20,113	14,568	5,545
Advice service	-	61,250	61,250	61,250	-
Quality of Care in Homes	5,978	78,160	84,138	81,934	2,204
Graham Lecture	(361)	6,500	6,139	6,139	-
Fact sheets and publications	15,221	32,000	47,221	28,596	18,625
Projects in Scotland and Wales	-	9,300	9,300	9,300	-
National Lottery Charities Board	-	61,720	61,720	39,999	21,721
	<u>37,087</u>	<u>260,430</u>	<u>297,517</u>	<u>245,600</u>	<u>51,917</u>
Administered grants	<u>47,353</u>	<u>58,837</u>	<u>106,190</u>	<u>48,674</u>	<u>57,516</u>
	<u>84,440</u>	<u>319,267</u>	<u>403,707</u>	<u>294,274</u>	<u>109,433</u>

16 Financial commitments

	1997 £	1996 £
Capital commitments		
At 31 December 1997, the Council had placed orders for capital expenditure as follows:	<u>-</u>	<u>-</u>
Operating leases		
Annual commitments under non-cancellable operating leases are as follows:		
Land and buildings		
Expiry date after five years	<u>47,881</u>	<u>47,881</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

17 Acknowledgement of grants

The following are grants received during 1997 which the company wishes to record individually:

National Lottery Charities Board	<u>£61,720</u>
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Department of Health

Awarded under Section 64 of the Health

Services and Public Health Act 1968

(1) Towards the cost of the advice service	<u>£41,250</u>
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(2) Project grant towards the Quality of Care in Homes Programme	<u>£75,000</u>
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Disclosure of the following local authority grants is in accordance with Section 37 of the Local Government and Housing Act 1989:

London Boroughs Grants Committee	Applied as a contribution to the costs of providing the advice service to older people, their carers and relatives in Greater London	<u>£20,000</u>
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Scottish Office

Awarded under Section 9 of the Social Work

(Scotland) Act 1968

Applied for training projects in Scotland	<u>£4,800</u>
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18 Prior year adjustment

As stated at note 2d the policy for accounting for legacies was changed during the year. Previously legacies were only credited to income when they were received by the charity. Now, in line with the Statement of Recommended Practice: Accounting by Charities, legacies are treated as income on a receivable basis. The comparative figures in the primary statements and notes and the brought forward funds have been restated to reflect the new policy. The effect of the changes in policy are summarised below:

	1997 £	1996 £
Statement of financial activities		
Increase/(decrease) in legacy income	<u>16,400</u>	<u>(5,900)</u>
Increase/(decrease) in net outgoing resources	<u>(16,400)</u>	<u>5,900</u>
Balance sheet		
Increase in legacies receivable	<u>28,700</u>	<u>12,300</u>
Increase in net assets	<u>28,700</u>	<u>12,300</u>