

COUNSEL AND CARE

Advice and help for older people

ACCOUNTS
31 DECEMBER 1998



Counsel and Care for the Elderly
Twyman House, 16 Bonny Street, London NW1 9PG
Company No. 645708. Registered Charity No. 203429

Counsel and Care for the Elderly

(a company limited by guarantee)

Accounts 31 December 1998
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 1998

Financial Statements

The Council presents its report and financial statements for the year ended 31 December 1998.

Responsibilities of Council Members

Company 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 1998/99.

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 increased by £73,308.

Legacies receivable during the year amounted to £218,106 compared with £39,819 in 1997. This was the major factor underlying the improved financial performance in the year.

At 31 December 1998, unrestricted reserves amounted to £246,614 and, in addition, the charity held funds of £91,098 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.

Counsel and Care for the Elderly

Report of the Council (continued)

Council Members

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

	Miss Davina Hodson	Chairman
	Mr Oliver Rowell	Deputy Chairman
	Mr Derrick Mead LVO	Treasurer
Mrs Valerie Barrow		Mr Wally Harbert OBE
Mr Anthony Douglas		Miss Pamela Hibbs CBE
Mr Brian Dowling		Mr Zauhar Meghji (resigned 3 June 1998)
Mr Peter Ferrari		Mrs Sylvia Quayle
Mrs Francoise Findlay		Mrs Marjorie Saywood
Mrs Joceline Graham		Mr John Skinner
Mrs Diana Grassie		Dr Stephen Webster
Dr Monica Greenwood		

It is with regret that we have learned of the death during the last year of two former Council Members, George Howard and Dorothy White. George Howard had a long association with Counsel and Care and he was Honorary Treasurer for 14 years until he retired in 1992. Dorothy White was the founder of the Relatives Association with which Counsel and Care was closely connected in the early years of that Association.

Reserves policy

It is the view of the Council that we should endeavour to maintain a balance on unrestricted funds equivalent to six months expenditure. Such reserves at 31 December 1998 were below that level and Council has taken measures to focus on our fundraising efforts more effectively. The aim is to improve funding so that the stated policy is achieved.

Year 2000

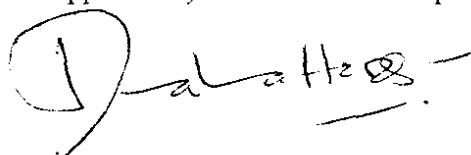
Since the year end a new computer system has been installed. Council is advised that this new system is now "Year 2000 compliant" and operational problems are not expected as a result of the change of date. Advice has been or is being obtained in respect of other equipment and it is expected that the charity will be fully prepared and it is not anticipated that any failures will have a materially detrimental effect on the work of the charity.

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 21 April 1999.

D Hodson
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 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 1998 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Binder Hamlyn

Binder Hamlyn

Chartered Accountants and Registered Auditors

21 April 1999

Counsel and Care for the Elderly

Statement of financial activities

Incorporating an income and expenditure account

For the year ended 31 December 1998

		Unrestricted	Restricted funds		1998	1997
Notes	Funds	Funded	Administered		Total	Total
	£	Projects	Grants		£	£
		£	£			
Incoming resources						
Donations and grants						
- unrestricted	204,030	-	-		204,030	223,541
- restricted	-	276,200	40,107		316,307	319,267
Legacies	218,106	-	-		218,106	39,819
Income from other sources	3 130,316	-	-		130,316	135,692
Total incoming resources	552,452	276,200	40,107		868,759	718,319
Resources used						
Direct Charitable Expenditure						
Advice work						
- Staff salaries and pensions	4 180,215	195,862	-		376,077	355,172
- Support costs	5 76,945	73,202	-		150,147	150,983
Grants and fees						
- Counsel and Care	6 -	-	-		-	1,751
- Administered Grants	6 -	-	58,365		58,365	48,674
	257,160	269,064	58,365		584,589	556,580
Other Expenditure						
Fundraising						
- Staff salaries and pensions	4 88,217	-	-		88,217	86,571
- Support costs	5 16,549	-	-		16,549	16,054
- Publicity and other costs	18,530	4,923	-		23,453	35,123
Administration and finance						
- Staff salaries and pensions	4 39,499	-	-		39,499	43,919
- Other overheads	5 16,549	-	-		16,549	16,054
Central expenses	7 42,640	2,290	-		44,930	41,444
	221,984	7,213	-		229,197	239,165
Total resources used	479,144	276,277	58,365		813,786	795,745
	73,308	(77)	(18,258)		54,973	(77,426)
Reduction in provision for clients' grants and fees						
12	-	-	-		-	5,000
Net incoming/(outgoing) resources for the year carried forward						
	73,308	(77)	(18,258)		54,973	(72,426)

Counsel and Care for the Elderly

Statement of financial activities (continued)

Incorporating an income and expenditure account

For the year ended 31 December 1998

	Unrestricted Funds £	Restricted funds		1998 Total £	1997 Total £
		Funded Projects £	Administered Grants £		
Net incoming/(outgoing) resources for the year brought forward	73,308	(77)	(18,258)	54,973	(72,426)
Realised losses on investments	-	-	-	-	(2,527)
Net movement in funds	73,308	(77)	(18,258)	54,973	(74,953)
Funds at 1 January 1998	173,306	51,917	57,516	282,739	357,692
Funds at 31 December 1998	246,614	51,840	39,258	337,712	282,739

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 surplus for the year for Companies Act 1985 purposes is £54,973 (1997: £74,953 deficit).

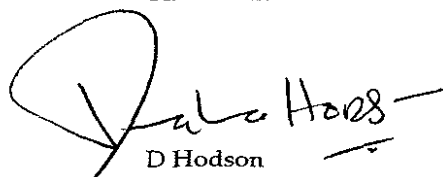
Counsel and Care for the Elderly

Balance sheet

31 December 1998

		Unrestricted	Restricted funds		1998	1997
	Notes	Funds	Funded	Administered	Total	Total
		£	Projects	Grants	£	£
			£	£		
Fixed assets						
Tangible assets	8	12,384	4,959	-	17,343	26,857
		<u>12,384</u>	<u>4,959</u>	<u>-</u>	<u>17,343</u>	<u>26,857</u>
Current assets						
Stock		25,256	-	-	25,256	18,041
Debtors	9	141,794	3,500	-	145,294	57,955
Cash at bank and in hand		130,266	43,381	44,258	217,905	225,321
		<u>297,316</u>	<u>46,881</u>	<u>44,258</u>	<u>388,455</u>	<u>301,317</u>
Creditors: amounts falling due within one year	10	(49,086)	-	(5,000)	(54,086)	(31,435)
Net current assets		<u>248,230</u>	<u>46,881</u>	<u>39,258</u>	<u>334,369</u>	<u>269,882</u>
Total assets less current liabilities		260,614	51,840	39,258	351,712	296,739
Creditors: amounts falling due after one year	11	(14,000)	-	-	(14,000)	(14,000)
Net assets		<u>246,614</u>	<u>51,840</u>	<u>39,258</u>	<u>337,712</u>	<u>282,739</u>
Funds employed		246,614	51,840	39,258	337,712	282,739

The financial statements on pages 4 to 15 were approved by the Council on 21 April 1999.


D Hodson
Chairman


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.

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. There are at present no designated funds.

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

c) Funded Projects and Administered Grants

The company carries out projects specifically funded by other organisations and administers funds on behalf of other charities and trusts. 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 being applied.

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 central expenses is divided between advice work, fundraising 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 and Life Assurance costs*

The charge to the Statement of Financial Activities represents contributions payable to personal pension schemes, together with premiums on a death in service policy.

g) *Depreciation*

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a basis over its useful life, as follows:

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

h) *Stocks*

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

i) *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 (revised).

3 Income from other sources

	1998 £	1997 £
Interest on deposits	12,475	10,206
Investment income	-	2,973
Publications	39,433	47,037
Fees for conferences and training	63,880	46,437
Special fundraising events	9,528	20,289
Marketing project subsidy	-	7,735
Other income	5,000	1,015
	<u>130,316</u>	<u>135,692</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

4 Employment costs

	1998 Number	1997 Number
The average number of employees during the year was as follows:		
Advice work	15	14
Fundraising	2	3
Administration and finance	5	5
	<u>22</u>	<u>22</u>

Employee costs during the year were:

	£	£
Salaries	436,143	428,664
Social security costs	42,582	42,344
Pension costs	25,068	14,654
	<u>503,793</u>	<u>485,662</u>

When appropriate, employee costs of the administration and finance department have been allocated to the advice work and fundraising departments. Total employee costs have been allocated in the Statement of Financial Activities as follows:

	1998 £	1997 £
Advice work	376,077	355,172
Fundraising	88,217	86,571
Administration and finance	39,499	43,919
	<u>503,793</u>	<u>485,662</u>

The earnings of only one employee exceeded £40,000 and fell within the £60,000 - £70,000 band. The Council Members neither received nor waived any emoluments during this year or the prior year. The Council Members did not receive any reimbursed expenses.

Counsel and Care for the Elderly
Notes to the financial statements (continued)

5 Overhead expenditure

	1998 £	1997 £
Expenditure on overheads is made up as follows:		
Rent, rates and maintenance of premises	65,288	65,947
Light and heat	2,765	2,633
Consultancy fee	1,462	-
Printing and stationery	38,351	47,144
Telephone and postage	23,635	22,317
Maintenance of computer and office equipment	11,948	11,504
Travelling expenses	10,938	12,813
Staff recruitment and development	14,442	10,564
Professional fees	-	6,300
Other expenditure on funded projects	14,416	3,869
	<u>183,245</u>	<u>183,091</u>

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

Advice work - support costs	150,147	150,983
Fundraising - support costs	16,549	16,054
Administration and finance	16,549	16,054
	<u>183,245</u>	<u>183,091</u>

6 Grants and fees

	1998 £	1997 £
Counsel and Care:		
Nursing home fees	<u>-</u>	<u>1,751</u>
Administered Grants:		
Nursing home fees	20,282	26,671
Single need payments	23,571	22,003
Annuities	14,512	-
	<u>58,365</u>	<u>48,674</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

7 Central expenses

	1998 £	1997 £
Depreciation	11,181	16,370
Professional fees	11,738	5,496
Auditors' remuneration		
- audit fees	8,911	9,437
- non audit fees	2,381	2,274
Sundries	10,719	7,867
	<u>44,930</u>	<u>41,444</u>

8 Tangible fixed assets

	Leasehold improvements £	Furniture and fittings £	Computers and office equipment £	Total £
Cost or valuation				
1 January 1998	42,173	11,005	98,292	151,470
Additions	-	100	1,567	1,667
31 December 1998	<u>42,173</u>	<u>11,105</u>	<u>99,859</u>	<u>153,137</u>
Accumulated depreciation				
1 January 1998	34,393	9,638	80,582	124,613
Charge for the year	1,321	892	8,968	11,181
31 December 1998	<u>35,714</u>	<u>10,530</u>	<u>89,550</u>	<u>135,794</u>
Net book value				
31 December 1998	<u>6,459</u>	<u>575</u>	<u>10,309</u>	<u>17,343</u>
31 December 1997	<u>7,780</u>	<u>1,367</u>	<u>17,710</u>	<u>26,857</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 1998 amounted to £4,959 (1997: £7,242) and has been included within restricted funds in the balance sheet.

Counsel and Care for the Elderly
Notes to the financial statements (continued)

9 Debtors

	1998 £	1997 £
Income tax recoverable	5,126	2,879
Other debtors	19,776	1,476
Prepayments and accrued income	17,282	24,900
Legacies receivable	103,110	28,700
	<u>145,294</u>	<u>57,955</u>

10 Creditors: amounts falling due within one year

	1998 £	1997 £
Social security and other taxes	12,834	12,544
Accruals	41,252	18,891
	<u>54,086</u>	<u>31,435</u>

11 Creditors: amounts falling due after one year

	1998 £	1997 £
Loan	<u>14,000</u>	<u>14,000</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	5,600	2,800
After 5 years	8,400	11,200
	<u>14,000</u>	<u>14,000</u>

Counsel and Care for the Elderly

Notes to the financial statements (continued)

12 Provision for liabilities and charges

	1998 £	1997 £
Provision for clients' grants and fees		
1 January 1998	-	5,000
Released in year	-	(5,000)
31 December 1998	-	-

13 Restricted funds

	Balance 1 January 1998 £	Income 1998 £	Total Grant £	Expenditure 1998 £	Balance 31 December 1998 £
Funded projects					
Capital projects	3,822	-	3,822	1,335	2,487
Ethnic Minorities	5,545	12,500	18,045	11,797	6,248
Advice Services	21,721	128,320	150,041	120,673	29,368
Care in Homes	12,204	90,500	102,704	97,997	4,707
Graham Lecture	-	3,500	3,500	3,500	-
Projects in Scotland	-	14,800	14,800	14,800	-
Factsheet/Newsletter	5,975	6,500	12,475	12,475	-
Ageing and Technology	-	5,080	5,080	3,550	1,530
Empowerment of older people	2,650	15,000	17,650	10,150	7,500
	51,917	276,200	328,117	276,277	51,840
Administered grants	57,516	40,107	97,623	58,365	39,258
	109,433	316,307	425,740	334,642	91,098

Capital projects:	Funds obtained to purchase computers and put in a disabled toilet and pay for the respective depreciation.
Ethnic Minorities:	Funding from Marks and Spencer to pay for part time post linking with community organisations.
Advice Services:	Funding from Bridge House Estates Trust, National Lottery Charities Board, and London Borough Grants to contribute to salaries and running costs of the advice service.
Care in Homes:	Funding from the Department of Health to meet the cost of research and dissemination of good practice in care throughout England, and from Metropolitan Hospitals Sunday Fund for London.

Counsel and Care for the Elderly

Notes to the financial statements (continued)

13 Restricted funds (continued)

Graham Lecture:	Funding from The Michael Peacock Charitable Foundation to meet the cost of mounting an annual lecture on an issue of wide concern.
Projects in Scotland:	Funding from the Scottish Office to meet the cost of training and dissemination of good practice.
Factsheet/Newsletter:	Funding from a variety of sources to contribute to the cost of writing, researching, producing and distributing information.
Ageing and Technology:	Funding from Help the Aged to meet the cost of establishing a forum for the development and exchange of good practice.
Empowerment of older people:	Funding from the Nuffield Foundation for monitoring, evaluation and dissemination of projects run by older people.

14 Financial commitments

	1998 £	1997 £
Capital commitments		
Capital expenditure for which orders had been placed	-	-
Capital expenditure authorised but not committed	<u>40,000</u>	<u>-</u>
Operating leases		
Annual commitments under non-cancellable operating leases are as follows:		
Land and buildings		
Expiry date after five years	<u>58,951</u>	<u>47,881</u>

15 Consolidated accounts

CCE (Commercial) Limited has an issued share capital of two shares of £1 each, neither of which are owned by the charity, but a majority of its Directors are Council Members. The Company was incorporated in order that it may carry out trading activities for the benefit of the charity but it is currently dormant. Its assets and liabilities are immaterial in amount and accordingly the accounts have not been consolidated with those of the charity.

Counsel and Care for the Elderly
Notes to the financial statements (continued)

16 Acknowledgement of grants

The following are grants received during 1998 which the company wishes to record individually:

	£
National Lottery Charities Board	<u>66,320</u>

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>10,000</u>
	(2) Project grant towards the Quality of Care in Homes Programme	<u>75,000</u>

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

		£
London Boroughs Grants	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>
Scottish Office		
Awarded under Section 9 of the Social Work (Scotland) Act 1968	Applied for training projects in Scotland	<u>14,800</u>