COUNSEL AND CARE FOR THE ELDERLY

Registered charity
Company limited by guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

Company Registration Number 645708
Charity Registration Number 203429

COUNSEL AND CARE FOR THE ELDERLY

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

CONTENTS **Page**

COUNSEL AND CARE FOR THE ELDERLY

LEGAL AND ADMINISTRATIVE INFORMATION

Council Members	Miss Davina Hodson	(Chairman)
	Mr Oliver Rowell	(Deputy Chairman)
	Mr Derrick Mead LVO	(Treasurer)
	Mrs Valerie Barrow	
	Dr Clive Bowman	
	Dr Tom Dening	
	Mr Anthony Douglas	
	Mr Brian Dowling	
	Mr Peter Ferrari	
	Mrs Francoise Findlay	
	Mrs Joceline Graham	
	Mr Wally Harbert OBE	
	Miss Pamela Hibbs CBE	
	Mrs Sylvia Quayle	
	Mr Sushil Radia	
	Mrs Marjorie Saywood	
	Dr Stephen Webster	
Chief Executive	Mr Martin Green	
Registered Office	Twyman House 16 Bonny Street London NW1 9PG	
Auditors	Haysmacintyre Southampton House 317 High Holborn London WC1V 7NL	
Bankers	Barclays Bank Plc Islington & Camden Business Centre PO Box 3474 London NW1 7NQ	
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH	

COUNSEL AND CARE FOR THE ELDERLY

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31ST DECEMBER 2001

The Council presents its report and financial statements for the year ended 31st December 2001.

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 2001/02.

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
Dr Clive Bowman (appointed 12th September 2001)
Dr Tom Dening (appointed 12th September 2001)
Mr Anthony Douglas
Mr Brian Dowling
Mr Peter Ferrari
Mrs Francoise Findlay
Mrs Joceline Graham
Dr Monica Greenwood (resigned 19th September 2001)
Mr Wally Harbert OBE
Miss Pamela Hibbs CBE
Mrs Sylvia Quayle
Mr Sushil Radia
Mrs Marjorie Saywood
Mr John Skinner (resigned 20th April 2001)
Dr Stephen Webster

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 £39,841.

Legacies receivable during the year amounted to £312,307 compared with £240,030 in 2000.

At 31st December 2001, unrestricted reserves amounted to £311,393 and, in addition, the charity held funds of £229,891 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.

RESERVES POLICY

It is the view of the Council that the charity should endeavour to maintain a balance on unrestricted funds equivalent to six months expenditure on staff costs, overheads (including publicity) and central expenses. Such reserves at 31st December 2001 were below that level but there was a marginal improvement in the reserves to expenditure ratio during the year. Council is aware that the measures taken to improve funding have not yet achieved the stated policy.

RISK ASSESSMENT

Council has put in place a process for identifying the major risks to which the charity is exposed. The level of each risk has been evaluated and the controls that are in existence to manage those risks have been established. This has been reviewed by Council and consideration is being given to strengthening the effectiveness of controls where practicable. The system of control is designed to manage rather than eliminate risks and cannot provide absolute assurance against any loss.

RESPONSIBILITIES OF COUNCIL MEMBERS

Company and charity law requires the Council Members, as directors and trustees, 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 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;
- follow applicable accounting standards, 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 operation.

The Council Members are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, haysmacintyre, have expressed their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

Approved by the Council on 10th April 2002
and signed on its behalf by:

D Hodson
Chairman

Twyman House
16 Bonny Street
London NW1 9PG

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

OF COUNSEL AND CARE FOR THE ELDERLY

We have audited the financial statements of Counsel and Care for the Elderly for the year ended 31st December 2001 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of Council Members and Auditors

The responsibilities of the Council Members for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Responsibilities of Council Members. The Council Members are also the directors of Counsel and Care for the Elderly for the purposes of company law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Council is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Council Members' remuneration and transactions with the charitable company is not disclosed.

We are not required to consider whether the statement in the Report of the Council concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Report of the Council. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 charitable 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 charity's affairs as at 31st December 2001 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

haysmacintyre
Chartered Accountants
Registered Auditors

Southampton House
317 High Holborn
London
WC1V 7NL

10th April 2002

COUNSEL AND CARE FOR THE ELDERLY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2001

Income and expenditure	Notes	Unrestricted Funds £	Restricted Funds: Funded Projects £	Restricted Funds: Grants £	Total 2001 £	Total 2000 £
Incoming resources						
Donations and grants:						
Unrestricted		216,641	-	-	216,641	203,440
Restricted		-	-	105,185	105,185	129,287
Legacies		312,307	-	-	312,307	240,030
Activities in furtherance of the Charity's objects:						
Funded projects		-	370,494	-	370,494	183,293
Other	3	75,085	-	-	75,085	57,651
Activities for generating funds:						
Fundraising events		4,941	-	-	4,941	-
Interest on deposits		12,173	-	-	12,173	11,645
Total incoming resources		621,147	370,494	105,185	1,096,826	825,346
Resources expended						
Costs of generating funds						
Fundraising:						
Staff costs	4	59,005	-	-	59,005	55,667
Support costs	5	15,277	-	-	15,277	13,281
Consultancy		28,911	-	-	28,911	17,634
Publicity and other costs		26,425	-	-	26,425	19,954
Charitable expenditure						
Costs of activities in furtherance of the charity's objects:						
Services to older people:						
Staff costs	4	224,146	67,460	54,125	345,731	332,689
Support costs	5	107,465	11,298	1,836	120,599	119,082
Funded Projects-external charges		-	190,499	-	190,499	41,782
Other		21,233	-	-	21,233	14,733
Grants and awards	6	-	-	50,498	50,498	55,049
Management and administration:						
Staff costs	4	39,490	-	-	39,490	38,324
Other overheads	5	14,576	-	-	14,576	13,922
Central expenses	7	44,778	7,875	-	52,653	49,986
Total resources expended		581,306	277,132	106,459	964,897	772,103
Net incoming/(outgoing) resources for the year		39,841	93,362	(1,274)	131,929	53,243
Funds at 1st January 2001		271,552	95,651	42,152	409,355	356,112
Funds at 31st December 2001		£311,393	£189,013	£40,878	£541,284	£409,355

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

The charitable company has no other recognised gains and losses other than those stated above. The surplus for the year for Companies Act 1985 purposes is £131,929 (2000: £53,243). The accompanying notes are an integral part of the accounts.

COUNSEL AND CARE FOR THE ELDERLY

BALANCE SHEET

AT 31ST DECEMBER 2001

	Notes	Unrestricted Funds £	Restricted Funds: Funded Projects £	Restricted Funds: Grants £	Total 2001 £	Total 2000 £
FIXED ASSETS						
Tangible assets	8	37,087	9,292	-	46,379	70,542
CURRENT ASSETS						
Stock		5,055	-	-	5,055	9,589
Debtors	9	207,387	22,500	40	229,927	209,489
Cash at bank and in hand		109,170	238,626	42,888	390,684	199,196
		321,612	261,126	42,928	625,666	418,274
CREDITORS: amounts falling due within one year	10	(36,106)	(81,405)	(2,050)	(119,561)	(65,461)
NET CURRENT ASSETS		285,506	179,721	40,878	506,105	352,813
TOTAL ASSETS LESS CURRENT LIABILITIES		322,593	189,013	40,878	552,484	423,355
CREDITORS: amounts falling due after one year	11	(11,200)	-	-	(11,200)	(14,000)
TOTAL NET ASSETS		£311,393	£189,013	£40,878	£541,284	£409,355
FUNDS AND RESERVES		£311,393	£189,013	£40,878	£541,284	£409,355

Approved by the Council on 10th April 2002
and signed on its behalf by:

D Hodson
Chairman

D F Mead
Treasurer

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2001

1. CONSTITUTION

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". In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice: Accounting by Charities.

Fund accounting

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

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

Funded Projects and Grants

The charity carries out projects specifically funded by other organisations and administers funds on behalf of other charities and trusts. It also receives funding towards the salaries and overhead costs of the services provided to older people. 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.

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.

Resources expended

Expenditure other than central expenses is divided between services to older people, fundraising and management and administration. This is allocated on an actual basis or, where this is not possible, on an estimated usage basis. Central expenses are treated at a cost of management and administration.

Expenditure is stated net of any VAT that is recoverable.

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.

2. ACCOUNTING POLICIES (continued)

Tangible fixed assets

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%

Stocks

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

Cash flow statement

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

3. OTHER ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS

	2001 £	2000 £
Conferences and training	29,094	42,673
Consulting	36,925	-
Publications	5,825	14,978
Other	3,241	-
	£75,085	£57,651

4. STAFF COSTS

Staff costs during the year were as follows:		
Salaries	386,755	373,178
Social security costs	32,305	30,357
Pension and life assurance costs	25,166	23,145
	£444,226	£426,680

The average number of employees during the year was as follows:	Number	Number
Providing services to older people	14	14
Fundraising	1	1
Administration and finance	4	4
	19	19

4. STAFF COSTS (continued)

Where appropriate, staff costs of the administration and finance department have been allocated to providing services to older people and fundraising. Total staff costs have been allocated in the Statement of Financial Activities as follows:

	2001 £	2000 £
Providing services to older people	345,731	332,689
Fundraising	59,005	55,667
Management and administration	39,490	38,324
	£444,226	£426,680

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

5. OVERHEAD EXPENDITURE

	2001 £	2000 £
Expenditure on overheads is made up as follows:		
Rent, rates and maintenance of premises	66,425	64,184
Light and heat	1,764	2,664
Printing and stationery	26,777	26,057
Telephone and postage	21,343	19,447
Maintenance of computer and office equipment	19,835	19,203
Travelling expenses	4,318	7,385
Staff recruitment and development	9,990	7,345
	£150,452	£146,285
This expenditure has been allocated as follows:		
Services to older people – support costs	120,599	119,082
Fundraising – support costs	15,277	13,281
Management and administration	14,576	13,922
	£150,452	£146,285

6. GRANTS AND FEES

Administered Grants-payments to or on behalf of individuals:

	2001	2000
Single need payments	26,619	27,178
Recurrent payments	18,629	21,398
Nursing home fees	5,250	6,473
	£50,498	£55,049

7. CENTRAL EXPENSES

	2001	2000
Depreciation	24,347	18,816
Professional fees	2,414	8,362
Auditors' remuneration		
- audit fees	6,974	7,102
- non audit fees	1,400	-
Sundries	17,518	15,706
	£52,653	£49,986

8. TANGIBLE FIXED ASSETS

	Leasehold improvements	Furniture and fittings	Computer and office Equipment	Total
COST	£	£	£	£
At 1st January 2001	42,173	16,966	108,192	167,331
Additions	-	-	442	442
Disposals	-	-	(258)	(258)
Assets no longer in use	-	(2,903)	(19,177)	(22,080)
At 31st December 2001	42,173	14,063	89,199	145,435
DEPRECIATION				
At 1st January 2001	37,528	12,291	46,970	96,789
Charge for the year	907	1,245	22,195	24,347
Assets no longer in use	-	(2,903)	(19,177)	(22,080)
At 31st December 2001	38,435	10,633	49,988	99,056
NET BOOK VALUE				
At 31st December 2001	£3,738	£3,430	£39,211	£46,379
At 31st December 2000	£4,645	£4,675	£61,222	£70,542

Certain leasehold improvements and some computer equipment have been financed by outside funders as individual projects. The net book value of these assets at 31st December 2001 amounted to £9,292 (2000: £17,070) and has been included within restricted funds in the balance sheet.

9 DEBTORS

	2001	2000
	£	£
Income tax recoverable	1,054	1,008
Other debtors	51,484	27,281
Prepayments and accrued income	5,775	5,200
Legacies receivable	171,614	176,000
	£229,927	£209,489

10. CREDITORS: amounts falling due within one year

	2001	2000
Loan (see note 11)	2,800	-
Social security and other taxes	10,188	10,075
Accruals	41,441	37,242
Other creditors	65,132	18,144
	£119,561	£65,461

11. CREDITORS: amounts falling due after one year

	2001	2000
Loan	£11,200	£14,000

The loan is from The Housing Associations Charitable Trust and is repayable in 5 equal annual instalments with the first repayment due on 1st May 2002. Subsequent instalments are payable as follows:

	2001	2000
Between one and two years	2,800	2,800
Between two and five years	8,400	8,400
After 5 years	-	2,800
	£11,200	£14,000

COUNSEL AND CARE FOR THE ELDERLY

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2001

12. RESTRICTED FUNDS	Balance 1st January 2001 £	Income 2001 £	Total £	Expenditure 2001 £	Balance 31st December 2001 £
Funded Projects					
Capital Projects	16,823	-	16,823	7,832	8,991
Care in Homes	46,688	103,820	150,508	38,148	112,360
Graham Lecture	-	3,200	3,200	3,200	-
Projects in Scotland	-	8,771	8,771	8,771	-
Factsheets/Newsletters	3,540	8,000	11,540	11,540	-
Ageing and Technology	267	-	267	267	-
Community Care and Housing	28,333	80,906	109,239	90,710	18,529
Advocacy and Social Policy	-	45,100	45,100	51,532	(6,432)
Minority Ethnic Communities Project	-	120,697	120,697	65,132	55,565
	95,651	370,494	466,145	277,132	189,013
Grants					
Administered Grants	25,484	51,310	76,794	50,498	26,296
Advice and Training Services	16,668	53,875	70,543	55,961	14,582
	42,152	105,185	147,337	106,459	40,878
	£137,803	£475,679	£613,482	£383,591	£229,891

Capital Projects
Funds obtained to purchase computers and put in a disabled toilet and pay for the respective depreciation.

Care in Homes
Funding from the Department of Health to meet the cost of research and dissemination of good practice in care throughout England.

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.

Factsheets/Newsletters
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.

Community Care and Housing
Funding from the Nuffield Foundation for monitoring, evaluation and dissemination of projects run by older people together with a grant from the National Lottery Charities Board for research and development associated with care and housing.

Advocacy and Social Policy
Funding from Comic Relief, Kleinwort Charitable Trust, and other funders for services and research that improves the quality of life for older people.

Minority Ethnic Communities Project
Funding from the Lloyds TSB Foundation for England and Wales for joint development work associated with care and housing.

12. RESTRICTED FUNDS (continued)

Administered Grants
Grants received from various charitable trusts and other organisations to enable payments to be made to or on behalf of individuals determined within parameters set out by those trusts and organisations.

Advice and Training Services
Grants received from various organisations as a contribution towards salaries and running costs of the advice and training service.

13. FINANCIAL COMMITMENTS

	2001 £	2000 £
Operating leases		
Annual commitments under non-cancellable operating leases are as follows:		
Land and buildings		
Expiry date after five years	£48,527	£48,527
Other		
2-5 years	£3,863	£3,863

14. 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.

15. ACKNOWLEDGEMENT OF GRANTS

The following are grants received during 2001 which the charity wishes to record individually:

	£
National Lottery Charities Board	£72,406
Department of Health	
Awarded under Section 64 of the Health Services and Public Health Act 1968:	
Project grant towards care in home	13,820
Project grant towards care quality in extra care housing	30,000
Project grant towards 'Older Persons Guide to Care'	60,000
	£103,820
Scottish Executive	
Awarded under Section 9 of the Social Work (Scotland) Act 1968:	
Applied for training projects in Scotland	£8,771

16. TAXATION

Counsel and Care is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.