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COUNSEL AND CARE FOR THE ELDERLY

Registered charity
Company limited by guarantee

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

Company Registration Number 645708
Charity Registration Number 203429

COUNSEL AND CARE FOR THE ELDERLY

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COUNSEL AND CARE FOR THE ELDERLY

LEGAL AND ADMINISTRATIVE INFORMATION

Council Members	Miss Davina Hodson	(Chairman)
	Mr Oliver Rowell	(Deputy Chairman)
	Mr Marc Dight	(Treasurer)
	Kina, Lady Avebury	
	Mrs Valerie Barrow	
	Dr Clive Bowman	
	Dr Tom Dening	
	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	
	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 2002

The Council presents its report and financial statements for the year ended 31st December 2002.

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 2002/03.

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 : resigned 29th May 2002
Mr Marc Dight	Treasurer : appointed 29th May 2002

Kina, Lady Avebury	Appointed 18th September 2002		
Mrs Valerie Barrow		Mrs Joceline Graham	
Dr Clive Bowman		Mr Wally Harbert OBE	
Dr Tom Dening		Miss Pamela Hibbs CBE	
Mr Anthony Douglas	Resigned 29th May 2002	Mrs Sylvia Quayle	
Mr Brian Dowling		Mr Sushil Radia	
Mr Peter Ferrari		Mrs Marjorie Saywood	Resigned 29th May 2002
Mrs Francoise Findlay		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 decreased by £170,891 (2001: increased by £39,841).

Legacies receivable during the year amounted to £ 178,182 compared with £312,307 in 2001.

At 31st December 2002, unrestricted reserves amounted to £140,502 (2001: £311,393) and, in addition, the charity held funds of £189,121 (2001: £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.

FUTURE PLANS

During the year the charity has continued to invest in its fundraising efforts, and in the new year this has resulted in securing a donation, over three years, of £210,000. In addition the charity has been notified of a number of legacies that will be very beneficial to the charity to continue its valuable work.

In order to place the Organisation on a firmer long term financial footing in the year 2002 we increased our investment in fundraising and are developing new income streams focussed on training activities.

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. Council is aware that the measures taken to improve funding have not yet achieved the stated policy. In the coming year we hope that our fundraising investment and income generation strategy will move us closer to our reserves target.

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. The risk assessment process is subject to ongoing review and each year is comprehensively reassessed and rectified, 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.

GRANT POLICY

The charity administers grants on behalf of various charitable trusts and other organisations to enable payments to be made to or on behalf of individuals. Such grants are awarded by the charity within parameters set out by those trusts and organisations.

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 9 April 2003 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 2002 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.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2002 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

9 April 2003

COUNSEL AND CARE FOR THE ELDERLY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2002

Income and expenditure	Notes	Unrestricted Funds £	Restricted Funds: Funded Projects £	Restricted Funds: Grants £	Total 2002 £	Total 2001 £
Incoming resources						
Donations and grants:						
Unrestricted		174,034	-	-	174,034	216,641
Restricted			-	76,865	76,865	105,185
Legacies		178,182	-	-	178,182	312,307
Activities in furtherance of the Charity's objects:						
Funded projects		-	250,247	-	250,247	370,494
Other	3	60,968	-	-	60,968	75,085
Activities for generating funds:						
Fundraising events		896	-	-	896	4,941
Interest on deposits		10,208			10,208	12,173
Total incoming resources		424,288	250,247	76,865	751,400	1,096,826
Resources expended						
Costs of generating funds:						
Fundraising:						
Staff costs	4	65,531	-	-	65,531	59,005
Support costs	5	22,465	-	-	22,465	15,277
Consultancy		24,733	-	-	24,733	28,911
Publicity and other costs		27,333	-	-	27,333	26,425
Charitable expenditure:						
Services to older people:						
Staff costs	4	208,962	87,617	42,345	338,924	345,731
Support costs	5	80,287	18,652	612	99,551	120,599
Funded Projects-external charges		-	157,828	-	157,828	190,499
Other		37,809	-	-	37,809	21,233
Grants and awards	6	-	-	52,953	52,953	50,498
Management and administration:						
Staff costs	4	52,684	-	-	52,684	39,490
Other overheads	5	27,345	-	-	27,345	14,576
Central expenses	7	48,030	7,875	-	55,905	52,653
Total resources expended		595,179	271,972	95,910	963,061	964,897
Net incoming/(outgoing) resources for the year		(170,891)	(21,725)	(19,045)	(211,661)	131,929
Funds at 1st January 2002		311,393	189,013	40,878	541,284	409,355
Funds at 31st December 2002		£140,502	£167,288	£21,833	£329,623	£541,284

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 deficit for the year for Companies Act 1985 purposes is £211,661 (2001: surplus £131,929). The accompanying notes are an integral part of the accounts.

COUNSEL AND CARE FOR THE ELDERLY

BALANCE SHEET

AT 31ST DECEMBER 2002

	Notes	Unrestricted Funds £	Restricted Funds Funded Projects £	Grants £	Total 2002 £	Total 2001 £
FIXED ASSETS						
Tangible assets	8	22,541	1,417	-	23,958	46,379
CURRENT ASSETS						
Stock		14,570	-	-	14,570	5,055
Debtors	9	13,607	9,164	-	22,771	229,927
Cash at bank and in hand		169,853	234,247	21,833	425,933	390,684
		198,030	243,411	21,833	463,274	625,666
CREDITORS: amounts falling due within one year	10	(71,669)	(77,540)	-	(149,209)	(119,561)
NET CURRENT ASSETS		126,361	165,871	21,833	314,065	506,105
TOTAL ASSETS LESS CURRENT LIABILITIES		148,902	167,288	21,833	338,023	552,484
CREDITORS: amounts falling due after one year	11	(8,400)	-	-	(8,400)	(11,200)
TOTAL NET ASSETS		£140,502	£167,288	£21,833	£329,623	£541,284
FUNDS AND RESERVES		£140,502	£167,288	£21,833	£329,623	£541,284

Approved by the Council on 9 April 2003 and signed on its behalf by:

D Hodson
Chairman

Marc Dight
Treasurer

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 (SORP 2000 issued October 2000).

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 (see note 12).

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

	2002 £	2001 £
Conferences and training	9,680	29,094
Consulting	38,724	36,925
Publications	12,564	5,825
Other	-	3,241
	£60,968	£75,085

4. STAFF COSTS

Staff costs during the year were as follows:

	2002	2001
Salaries	405,091	386,755
Social security costs	28,596	32,305
Pension and life assurance costs	23,452	25,166
	£457,139	£444,226

The average number of employees during the year was as follows:	Number	Number
Providing services to older people	11	14
Fundraising	1	1
Administration and finance	4	4
	16	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:

	2002 £	2001 £
Providing services to older people	338,924	345,731
Fundraising	65,531	59,005
Management and administration	52,684	39,490
	£457,139	£444,226

The earnings of only one employee exceeded £50,000 and fell within the £50,000 - £60,000 band (2001:Nil). 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

	2002 £	2001 £
Expenditure on overheads is made up as follows:		
Rent, rates and maintenance of premises	72,920	66,425
Light and heat	3,286	1,764
Printing and stationery	6,017	26,777
Telephone and postage	18,871	21,343
Maintenance of computer and office equipment	16,907	19,835
Travelling expenses	5,263	4,318
Staff recruitment and development	20,296	9,990
Risk and restraint conference	5,801	-
	£149,361	£150,452
This expenditure has been allocated as follows:		
Services to older people – support costs	99,551	120,599
Fundraising – support costs	22,465	15,277
Management and administration	27,345	14,576
	£149,361	£150,452

6. GRANTS AND FEES

Administered Grants-payments to or on behalf of individuals:

	2002	2001
Single need payments	29,254	26,619
Recurrent payments	22,779	18,629
Nursing home fees	920	5,250
	£52,953	£50,498

7. CENTRAL EXPENSES

	2002	2001
Depreciation	23,068	24,347
Assets no longer in use	585	-
Professional fees	2,048	2,414
Auditors' remuneration – audit fees	7202	6,974
Auditors' remuneration – non audit fees	-	1,400
Sundries	23,002	17,518
	£55,905	£52,653

8. TANGIBLE FIXED ASSETS

COST	Leasehold improvements £	Furniture and fittings £	Computer and office Equipment £	Total £
At 1st January 2002	42,173	14,063	89,199	145,435
Additions	-	957	275	1,232
Assets no longer in use	-	-	(1,601)	(1,601)
At 31st December 2002	42,173	15,020	87,873	145,066
DEPRECIATION				
At 1st January 2002	38,435	10,633	49,988	99,056
Charge for the year	907	1,321	20,840	23,068
Assets no longer in use	-	-	(1,016)	(1,016)
At 31st December 2002	39,342	11,954	69,812	121,108
NET BOOK VALUE				
At 31st December 2002	£2,831	£3,066	£18,061	£23,958
At 31st December 2001	£3,738	£3,430	£39,211	£46,379

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 2002 amounted to £ 1,417 (2001: £9,292) and has been included within restricted funds in the balance sheet.

9 DEBTORS

	2002 £	2001 £
Income tax recoverable	1,457	1,054
Other debtors	10,411	51,484
Prepayments and accrued income	10,903	5,775
Legacies receivable	-	171,614
	£22,771	£229,927

10. CREDITORS: amounts falling due within one year

	2002	2001
Loan (see note 11)	2,800	2,800
Social security and other taxes	9,240	10,188
Accruals	50,378	41,441
Other creditors	86,791	65,132
	£149,209	£119,561

11. CREDITORS: amounts falling due after one year

	2002	2001
Loan	£8,400	£11,200

The loan is from The Housing Associations Charitable Trust and is repayable in 5 equal annual instalments. The first repayment was made on 1st May 2002 and a further repayment is due 1 May 2003. Subsequent instalments are payable as follows:

	2002	2001
Between one and two years	2,800	2,800
Between two and five years	5,600	8,400
	£8,400	£11,200

12. RESTRICTED FUNDS

	Balance 1st January 2002 £	Income 2002 £	Total £	Expenditure 2002 £	Balance 31st December 2002 £
Funded Projects					
Capital Projects	8,991	-	8,991	7,832	1,159
Care in Homes	112,360	27,500	139,860	48,301	91,559
Graham Lecture	-	3,500	3,500	3,500	-
Metropolitan Hospital Sunday Fund	-	2,000	2,000	-	2,000
Factsheets/Newsletters	-	4,000	4,000	4,000	-
Community Care and Housing	18,529	78,208	96,737	89,750	6,987
Advocacy and Social Policy	(6,432)	44,600	38,168	35,168	3,000
Minority Ethnic Communities Project	55,565	90,439	146,004	83,421	62,583
	189,013	250,247	439,260	271,972	167,288
Grants					
Administered Grants	26,296	48,490	74,786	52,953	21,833
Advice and Training Services	14,582	28,375	42,957	42,957	-
	£40,878	£76,865	£117,743	£95,910	£21,833
	£229,891	£327,112	£557,003	£367,882	£189,121

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.

Metropolitan Hospital Sunday Fund
Funding to improve working practices in care homes.

Factsheets/Newsletters
Funding from a variety of sources to contribute to the cost of writing, researching, producing and distributing information.

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 Community Fund for research and development associated with care and housing.

Advocacy and Social Policy
Funding from Comic Relief, 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

	2002	2001
	£	£
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 2002 which the charity wishes to record individually:

	£
The Community Fund	£69,708
Department of Health	
Awarded under Section 64 of the Health Services and Public Health Act 1968:	
Project grant towards care quality in extra care housing	7,500
Project grant towards 'Older Persons Guide to Care'	20,000
	£27,500

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.