

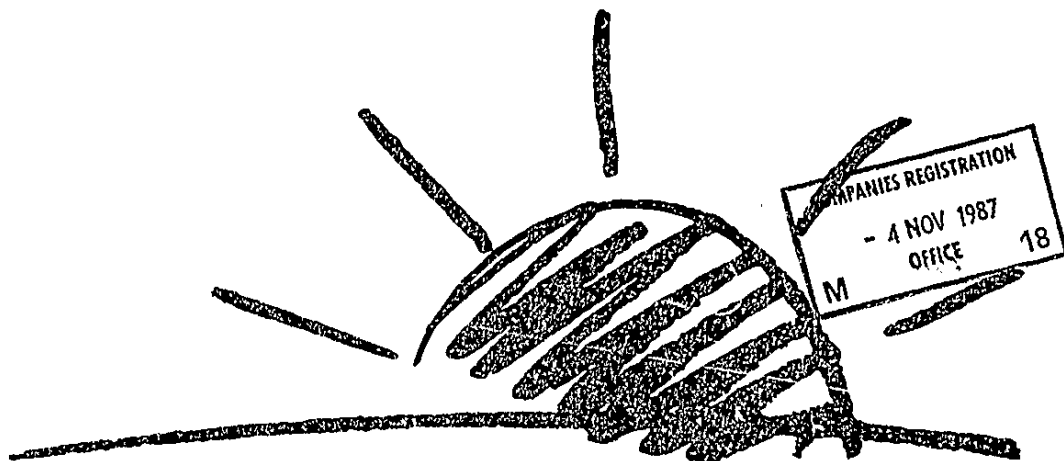
12/18/87

Help the Aged

Company Limited by Guarantee

REPORT OF THE BOARD OF TRUSTEES AND ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL, 1987



Help the Aged

Company Limited by Guarantee

Patron:	H.R.H. The Princess of Wales
Vice Presidents:	Sir Kenneth Durham Lord Cudlipp, O.B.E.
Chairman of the Board of Trustees:	Peter Bowering
Board of Trustees:	Frank Baker (Joint Deputy Chairman) Bill Menzies-Wilson, C.B.E. (Joint Deputy Chairman) Priscilla Campbell Allen Philip Ashfield Anthony Chambers George Davis Terence Donnelly, M.B.E. Dudley Fisher Geoffrey Hanscomb Vera Harley, M.B.E. Anne Harris, C.B.E. William Hastings, O.B.E. Sir Leslie Kirkley, C.B.E. Roger Lees Marquis of Linlithgow Ian MacLeod Steve Shirley, O.B.E. Julian Smith Harold Sumption Douglas Williams, C.B., C.V.O. Christopher Woodbridge
Auditors:	Holman & Co.
Bankers:	Barclays Bank PLC
Solicitors:	McKenna & Co.
Joint Honorary Treasurers:	The Duke and Duchess of Norfolk
Director General:	John Mayo, O.B.E.

Help the Aged

Company Limited by Guarantee

ACCOUNTS — YEAR ENDED 30TH APRIL, 1987

Index

Trustees' Report	<i>Page</i> 1-3
Auditors' Report	4
Income and Expenditure Account	5
Balance Sheet	6
Notes to the Accounts	7-14
Statement of Source and Application of Funds	15

Help the Aged

Company Limited by Guarantee

REPORT OF THE BOARD OF TRUSTEES

The Board has pleasure in submitting their tenth Annual Report and Accounts for the twelve months ended 30th April, 1987.

Trustees

The Trustees who served during the year and who received no emoluments were:

Priscilla Campbell Allen	Sir Leslie Kirkley
Philip Ashfield	Roger Lees
†Frank Baker	*Marquis of Linlithgow
†Peter Bowring	Ian MacLeod
†George Davis	§Geoffrey Maddrell
*Terence Donnelly	Bill Menzies-Wilson
Geoffrey Hanscomb	Julian Smith
Vera Harley	§Leslie Swain
Anne Harris	Douglas Williams

*Appointed by the Trustees during the year to fill vacancies.

§Ceased to act as Trustee during the year.

Geoffrey Maddrell resigned due to other business commitments.

Leslie Swain died on 18th June, 1986.

†Voluntary and Christian Service appointees.

In accordance with the Articles of Association the Trustees appointed during the year:

Terence Donnelly
Marquis of Linlithgow

retire, and being eligible, offer themselves for re-election.

In addition:

Sir Leslie Kirkley
Roger Lees
Julian Smith

retire by rotation and, being eligible, offer themselves for re-election.

As required by the Articles of Association, the Trustees of Voluntary and Christian Service have the right to appoint or dismiss three of the Trustees who are not subject to retirement by rotation.

Operations

The total income of the Charity exceeded £14 million for the year which has enabled it to increase substantially its level of distributions and own charitable work in order to improve the quality of life of elderly people in need of help in the UK and overseas. However, with the growing numbers of elderly, the funds available to the Charity are not sufficient to meet all the continuing requests for help and the Trustees have to adopt a selective approach to the grants given by it and to its own project work.

In the UK the Charity's policy is to enable elderly people, however ill, frail or disabled, to live in an environment which they consider their home. To this end grants continue to be made to assist day centres and day care facilities. The

Help the Aged

Company Limited by Guarantee

REPORT OF THE BOARD OF TRUSTEES — *continued*

Charity has helped to fund in excess of 300 minibuses, fulfilling an essential transport need for the elderly. Funds raised by the Charity have already resulted in more than 2,500 emergency telephone systems linked to control centres being installed in the homes of elderly people.

The Charity installed a special Hotline telephone service in the exceptionally cold weather last winter; this was used extensively for help and advice in conjunction with the issue of a "Keep Warm this Winter" leaflet. In response to growing concern among the elderly over security a Be Safe campaign was launched together with the production of security advice leaflets.

The Charity's own housing activities are concentrating on the provision of care facilities to its elderly residents and the further development of some of its existing sites.

Overseas the Charity's aid programmes in the developing world continue to be directed towards refugee relief, urban destitution, health, age care development and the Adopt a Granny sponsorship scheme. Much of this work is undertaken together with the Charity's sister organisations in the countries concerned where funds are raised locally to support these projects. The Charity also has its own field staff; in Ghana where there is a medical team working to rehabilitate Asankrangwa Hospital and provide clinical outreach; in Somalia where a medical team is established for preventive and curative eye work together with the training of local staff to undertake this work; and in Sudan where a team is providing basic health needs in a large refugee camp.

The Charity provides a range of services including education, research, information and campaigning, geared to the needs of the elderly and those who care for the elderly. Several studentships in gerontological research are being funded to enable the study of various illnesses commonly associated with ageing.

A chain of Charity shops is being established, with the essential and committed help of volunteers. These shops both provide additional funds and raise the public profile of the Charity in the High Street.

Help the Aged has formed with four other charities a consortium — Charities at Work — to jointly develop as a source of funds the payroll giving scheme introduced by the Finance Act 1986 and which came into force on 1st April, 1987.

The Slough property, which had been purchased in 1981, was sold last year giving a surplus to the Charity of £566,500 which is included in this year's accounts.

Of the Charity's total income amounting to £14.5 million in the year, fundraising and administration costs absorbed 25% leaving 75% to be applied in furtherance of the Charity's objectives.

Employees

The Charity is an equal opportunities employer. All of its employees, prospective employees and volunteers are treated equally, irrespective of their age, sex, ethnic origin, colour, disability or religious faith.

The Charity in conjunction with its employees, operates a joint consultative committee.

The Trustees would like to record their appreciation of the commitment and devotion to the Charity's objectives of all the staff and also the growing number of volunteers who willingly give their time and experience to the immense benefit of the Charity.

Transfer to Reserve

During the year ended 30th April, 1987 the following sum was transferred to Reserve:

Disasters — £35,000

Help the Aged

Company Limited by Guarantee

REPORT OF THE BOARD OF TRUSTEES — *continued*

Fixed Assets

Details relating to changes in Fixed Assets are given in Note 2 of the Notes to the Accounts.

Auditors

In accordance with Section 384 Companies Act 1985 a resolution for the re-appointment of Holman & Co., will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

John Wheatley

SECRETARY

23rd July, 1987

Help the Aged

Company Limited by Guarantee

ACCOUNTS — YEAR ENDED 30TH APRIL, 1987

Report of the Auditors to the Members of Help the Aged

We have audited the Accounts on pages 5 to 15 in accordance with approved Auditing Standards.

In our opinion the Accounts, which have been prepared on the basis of the accounting policies set out on page 7, give a true and fair view of the state of affairs of the Company at 30th April, 1987 and of the surplus and source and application of funds for the year ended on that date and comply with the Companies Act 1985.

Priory House
St. John's Lane
London EC1M 4BY

Holman & Co.
Holman
Chartered Accountants

23rd July, 1987

Help the Aged

Company Limited by Guarantee

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH APRIL, 1987

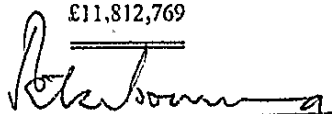
1986 £		Notes	£
10,644,986	Income	11	13,596,829
399,824	Fundraising Appeals	12	375,934
—	Dividends and Interest		556,500
	Surplus on realisation of Slough Property		
11,044,810			14,529,263
2,434,269	Expenditure	13	3,386,382
214,268	Fundraising		280,836
	Administration		
2,648,537			3,667,218
308,048	Development	15	—
8,088,225	Operating Surplus	16	10,862,045
259,715	Extraordinary Items	17	—
7,828,510	Surplus arising in the year		10,862,045
4,694,029	Brought forward from previous year		3,029,555
12,522,539	Total Surplus		13,891,600
	Applied as follows:		
5,756,101	During the year		
1,809,229	Distributions	18	7,260,332
2,057,980	Direct Charitable Operations	19	2,175,361
92,624	Retained for Housing	9	1,711,155
76,400	Invested in other Fixed Assets	9	253,394
(299,350)	Extra Care	9	(120,040)
	Reserves	10	35,000
9,492,984			11,315,202
2,364,362	Committed for New Projects and those in course of completion		
250,000	Specified by Donors	20	1,920,107
2,614,362	Allocated by Trustees	21	415,000
12,107,346			2,335,107
£415,193	Uncommitted Balance		13,650,309
			£241,291


Help the Aged

Company Limited by Guarantee

BALANCE SHEET AS AT 30TH APRIL, 1987

1986 £		Notes	£	£
12,725,078	Fixed Assets			
108	Tangible Assets	2		14,535,626
	Investments	3		108
12,725,186				14,535,734
	Current Assets			
1,947,525	Property for Realisation	4	415,346	
29,229	Clothing and Other Stocks at Valuation		31,044	
452,365	Debtors	5	661,504	
83,739	Investments	6	81,875	
1,655,933	Cash at Bank, Building Societies and in Hand		2,475,704	
4,168,791			3,665,473	
1,577,313	Creditors: Amounts falling due within one year	7	918,885	
2,591,478	Net Current Assets			2,746,588
15,316,664	Total Assets less Current Liabilities			17,282,322
3,503,895	Creditors: Amounts falling due after more than one year	8		4,043,201
£11,812,769	Net Assets			£13,239,121
	Represented By:			
8,338,214	Fund Accounts	9		10,182,723
445,000	Reserves	10		480,000
2,614,362	Committed Funds	20 & 21		2,335,107
415,193	Uncommitted Balance			241,291
£11,812,769				£13,239,121


Peter Bowring
Trustee


Bill Menzies-Wilson
Trustee

The Accounts were approved by the Board of Trustees on 23rd July, 1987.

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS

1. Accounting Policies

Basis of Accounting

The Accounts are prepared on the historical cost basis, modified to include the donated valuation of residential freehold properties.

Depreciation

Fixed Assets are stated at cost or donated valuation and reduced by depreciation which is provided at the following rates:

Motor Vehicles	— 25% p.a. reducing balance method
Fixtures and Fittings	— 15% p.a. reducing balance method
Equipment	— 25% p.a. reducing balance method
Computer Equipment	— 25% p.a. straight line method
Shop Leases	— over 10 years
Other Leases	— over the term of the lease

Due to the specialised nature of the Housing Properties and the existence of the Fixed Asset Fund, no provision for depreciation has been made. No provision for depreciation has been made in respect of the Headquarters and International Centre, as the property is maintained in a continual state of repair and its life and residual value are such that depreciation is not material.

Income

Income is the amount received during the year ended 30th April, 1987.

Expenditure

Expenditure shown in the Accounts includes accruals for goods and services rendered up to and including 30th April, 1987.

Fixed Assets Fund

The Fixed Assets Fund represents the sum not available for distribution until Fixed Assets are realised.

Research and Development

Expenditure on research and development is written off when incurred.

Pension

The Group operates a contributory pension scheme, open to all full time employees. The scheme funds are administered by trustees and are independent of the Company finances. The Company contributions are charged when due.

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS — continued

2. Fixed Assets — Tangible

Cost or Donated Value:
At 1st May, 1986
Additions
*Interest Capitalised £60,211
Cost of Properties previously
held for resale
(Disposals)

At 30th April, 1987

Depreciation:

At 1st May, 1986
(Disposals)
Charge for year

At 30th April, 1987

Net Book Value at:
30th April, 1987

30th April, 1986

	Freehold Headquarters and International Centre	Housing	Leases	Motor Vehicles	Equipment, Fixtures and Fittings	Computer	Total
	£	£	£	£	£	£	£
At 1st May, 1986	939,297	11,192,457	101,896	498,069	240,926	79,278	13,051,923
Additions	—	*1,021,246	157,605	303,505	70,661	33,544	1,586,561
*Interest Capitalised £60,211	—	—	—	—	—	—	—
Cost of Properties previously held for resale	—	535,908	—	—	—	—	535,908
(Disposals)	—	—	—	(193,172)	—	—	(193,172)
At 30th April, 1987	939,297	12,749,611	259,501	608,402	311,587	112,822	14,981,220
At 1st May, 1986	—	—	23,631	186,737	96,655	19,822	326,845
(Disposals)	—	—	—	(105,595)	—	—	(105,595)
Charge for year	—	—	18,547	144,250	33,340	28,207	224,344
At 30th April, 1987	—	—	42,178	225,392	129,995	48,029	445,594
Net Book Value at:							
30th April, 1987	£939,297	£12,749,611	£217,323	£383,010	£181,592	£64,793	£14,535,626
30th April, 1986	£939,297	£11,192,457	£78,265	£311,332	£144,271	£59,456	£12,725,078

Housing Properties are included at the original professional valuation when the property was donated. The total donated value at 30th April, 1987 was £4,347,336.

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS — *continued*

1986 £			£
8	3. Investments — Subsidiary Companies		8
100	8 £1 Shares in Help the Aged Housing Appeal Limited		100
£108	100 £1 Shares in Helpage Limited		£108
1,556,258	4. Property for Realisation		
391,267	Gifted Houses for sale when vacated		415,346
£1,947,525	Slough		—
			£415,346
	The value of Gifted Houses donated in the year was £297,402 of which £229,402 was being held for sale when vacated. The book value of property sold after becoming vacant was £834,406 while property to the value of £535,908 was reclassified as long term assets and transferred to Fixed Assets (See Note 2).		
102,644	5. Debtors		
42,375	Tax Repayments		139,850
25,000	Prepayments		108,141
282,346	Subsidiary Company		25,000
£452,365	Others		388,513
			£661,504
£83,739	6. Investments — (Listed on the Stock Exchange)		
	At cost or donated value		£81,875
	(Market Value £152,452 [£124,933 — 1986])		
1,247,869	7. Creditors: Amounts falling due within one year		
189,605	Bank Overdraft for Property Development (Secured)		554,562
39,000	Accrued Expenses		231,371
100,839	Interest-free Loans		35,500
£1,577,313	Other		97,452
			£918,885
£3,503,895	8. Creditors: Amounts falling due after more than one year		
	Deposits from Housing Residents, repayable on change of occupancy		£4,043,201

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS — continued

9. Movement of Funds

	Housing £	Other Fixed Assets £	Extra Care £	Total £
Balance at 1st May, 1986	6,440,693	1,532,621	364,900	8,338,214
Amounts transferred from/(to) Income and Expenditure Account	1,711,155	253,394	(120,040)	1,844,509
Balance at 30th April, 1987	<u>£8,151,848</u>	<u>£1,786,015</u>	<u>£244,860</u>	<u>£10,182,723</u>
The Fixed Assets Housing Fund is calculated as follows:				
Total Valuation (Note 2)				12,749,611
Less Financed by: Returnable Deposits			4,043,201	
Bank Bridging Loan			554,562	
				<u>4,597,763</u>
				<u>£8,151,848</u>

10. Movement in Reserves

	Disasters £	General £	Total £
Balance at 1st May, 1986	15,000	430,000	445,000
Amounts transferred from Income and Expenditure Account	35,000	—	35,000
Balance at 30th April, 1987	<u>£50,000</u>	<u>£430,000</u>	<u>£480,000</u>

NOTES TO THE ACCOUNTS — *continued*

1986 £		£
	11. Income	
111,706	Appeals — Gifted Houses at independent valuation including surplus on realisations of £196,544	493,946
509,396	— Gifts in Kind (clothing, medical supplies, etc.) at valuation	192,444
342,134	— Covenants	372,853
3,145,031	— Legacies	4,336,728
176,574	— Co-Funding from Government Agencies:	
225,736	Overseas Development Administration	113,031
	Commission of the European Communities	346,232
402,310		459,263
164,615	— Co-Funding from other Agencies	173,232
566,925		632,495
5,969,794	— Other Proceeds	7,568,363
£10,644,986		£13,596,829
	of which —	
4,866,415	Earmarked by Donors	5,907,615
5,778,571	General	7,689,214
£10,644,986		£13,596,829
	12. Dividends and Interest	
373,746	Short-term Deposits	368,568
26,078	Quoted Securities	7,366
£399,824		£375,934
	13. Expenditure	
£2,434,269	Appeals — Staff and Operational Costs	£3,386,382

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS — *continued*

1986

14. Staff Numbers and Costs

Average number of persons employed during the year was as follows:

143	Fund Raising	166
238	Direct Charitable Operations	279
43	Management and Central Services	45
<u>424</u>		<u>490</u>

£	The aggregate payroll costs of these persons were as follows:	£
2,607,407	Wages and Salaries	3,228,309
236,178	Social Security costs	283,685
48,755	Pension Scheme Contributions	70,040
<u>£2,892,340</u>		<u>£3,582,034</u>

15. Development

Expenditure in connection with the development and organisation of the Silver Jubilee Appeal which was officially launched on 25th March, 1986.

£308,048

16. Operating Surplus

The Operating Surplus is stated after charging the following:

13,500	Auditors' Remuneration	15,000
170,927	Depreciation	224,344
231,544	Irrecoverable V.A.T.	257,201

17. Extraordinary Items

Costs incurred on abortive housing developments written off
Return of gift and associated costs

189,715
70,000

£259,715

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS — *continued*

1986
£

370,466
216,258
793,256
1,132,122
83,184
—
155,889

2,751,175

300,754
604,358
209,018
653,904
—
155,357
567,280

2,490,671

303,612
210,643

514,255

3,004,926

£5,756,101

18. Distributions

- United Kingdom — Day Centres
— Housing Grants
— Mini buses
— Support Grants for Other Projects
— "Lifeline"
— Cold Crisis
— Costs of Supervision

Total

Overseas Aid Programmes

- Adopt a Granny
— Refugees and Disasters
— Urban Destitution
— Health
— Other Projects
— Age Care Development
— Gifts in Kind

- Development, Training and Support
— Costs of Supervision

Total

£

368,901
807,643
1,323,937
1,058,021
523,020
75,420
268,999

4,425,941

279,762
680,763
222,206
586,386
15,443
387,635
139,573

2,311,768

254,000
268,623

522,623

2,834,391

£7,260,332

19. Direct Charitable Operations

- Housing Operations and Extra Care:
Expenditure
Income

- Education and Research:
Expenditure
Income

- Information and Campaigning:
Expenditure

1,655,214
(677,240)
977,974
393,761
(47,157)
346,604
484,651

£1,809,229

1,823,756
(891,682)
932,074
316,592
(39,065)
277,527
965,760

£2,175,361

Help the Aged

Company Limited by Guarantee

NOTES TO THE ACCOUNTS — *continued*

1986 £		£
1,556,258	20. Committed Funds — Specified by Donors for:	415,346
55,951	Gifted Houses	82,953
12,884	Day Centres	39,513
17,401	Other Housing	93,455
48,489	Refugees and Disasters	696
176,342	Urban Destitution	214,103
51,851	Health and Medical	43
127,920	Age Care Development	131,298
121,854	Adopt a Granny	376,174
195,412	"Lifeline"	566,526
	Other Projects	
<u>£2,364,362</u>		<u>£1,920,107</u>
250,000	21. Committed Funds — Allocated by Trustees for:	
—	Extra Care (Capital Costs)	115,000
—	Housing	300,000
	Research Grants	
<u>£250,000</u>		<u>£415,000</u>
100,000	22. Capital Commitments (Housing)	135,000
800,000	Contracted for but not provided for	800,000
	Authorised by Trustees but not contracted for	
<u>£900,000</u>		<u>£935,000</u>

The above Capital Commitments will be met from the overdraft facilities available for bridging finance and eventually from returnable deposits and the sale of Gifted Properties.

23. Subsidiary Companies — Wholly-owned and Incorporated in England.

Helpage Limited

Help the Aged Housing Appeal Limited

Consolidated Accounts have not been prepared as Help the Aged Housing Appeal Limited is dormant and the whole of the profit of Helpage Limited is paid under Deed of Covenant to Help the Aged and included in the income. The assets of the subsidiaries are not material.

Help the Aged

Company Limited by Guarantee

STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 30TH APRIL, 1987

1986 £		£	£
7,828,510	Source of Funds		
170,927	Surplus after Extraordinary Items		10,862,045
138,526	Add: Depreciation		224,344
	Proceeds — Sale of Fixed Assets		87,577
<u>8,137,963</u>			<u>11,173,966</u>
	Application of Funds		
2,481,942	Additions to Fixed Assets	2,122,469	
5,756,101	Distributions	7,260,332	
1,809,229	Direct Charitable Operations	2,175,361	
<u>10,047,272</u>			<u>11,558,162</u>
<u>£(1,909,309)</u>			<u>£(384,196)</u>
	(Decrease) in Working Capital		
(1,664,252)	(Decrease) in Property for Realisation		(1,532,179)
(96,770)	(Decrease)/Increase in Stocks at Valuation		1,815
4,752	Increase in Debtors		209,139
(103,527)	(Decrease) in Investments		(1,864)
(57,494)	(Decrease)/Increase in Cash in Bank, Building Societies and in Hand		819,771
759,927	Decrease in Creditors falling due within one year		658,428
(751,945)	(Increase) in Creditors falling due after more than one year		(539,306)
<u>£(1,909,309)</u>			<u>£(384,196)</u>