

AGE CONCERN SOUTHWARK LIMITED

(A Company Limited by Guarantee)

**Company No. 2118525
Charity No. 296862**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2005



Age Concern Southwark Limited

General Information

Trustees:	L. Kreitzman (Chair) S.C. Kling (resigned 30th June 2004) G. Kyle D.G. Raye R.R. Sankar (appointed 27th April 2004) G. Spencer (appointed 17th November 2004) P.Goode (appointed 17th November 2004) M.Jansen (appointed 20th April 2005)
Company Secretary:	D.G. Raye
Charity Number:	296862
Company Number:	2118525
Registered Office:	224/236 Walworth Road London SE17 1JE 0207 701 9700 acs@ageconcernsouthwark.org.uk
Auditors:	Kingston Smith Chartered Accountants Devonshire House 60 Goswell Road London EC1M 7AD
Bankers:	National Westminster Bank plc PO Box 171 290 Walworth Road London SE17 3RQ
Solicitors:	Bates, Wells & Braithwaite Cheapside House 138 Cheapside London EC2V 6BB
Age Concern, the federation:	Age Concern Astral House 1268 London Road London SW16 4ER

Age Concern Southwark Limited

Report of the Trustees

For the year ended 31st March 2005

The trustees, who are also directors of the charitable company, have pleasure in presenting their Annual Report under the Charities and Companies Acts, and the group's financial statements, for the year ended 31st March 2005. This report has been prepared in accordance with the Statement of Recommended Practice- Accounting and Reporting by Charities (2000).

Constitution and Organisational Structure

Age Concern Southwark Limited is a registered charity and is incorporated in England and Wales as a company limited under guarantee.

The company is governed by its Memorandum and Articles of Association dated 9th March 1987. The liability of members in the event of the company being wound up is limited to a sum not exceeding £1 each. Information on the company's organisational structure as a charity is given elsewhere in this Report.

The Company is a member of Age Concern, the federation.

Directors

The directors and trustees, including all those who served during the year, are shown on page 1. Directors are appointed by resolution of the members of the company.

Active steps are being taken to recruit new trustees. Four new trustees have been appointed and one trustee has resigned in the year.

Objects

The company's objects are:

To promote and assist the general good of all older people in the London Borough of Southwark including assisting and co-operating in the work of statutory agencies and voluntary organisations engaged in providing facilities for physical and mental recreation, developing physical improvements, furthering help, relieving poverty, distress or sickness, or in pursuing any objects which now or hereafter may be deemed by law to be charitable.

To promote and organise co-operation in the achievement of the above purposes and to that end to bring together representatives of the authority and organisations engaged in the furtherance of the above purposes or any of them within the London Borough of Southwark.

Mission and Principal Activities

Age Concern Southwark's mission statement is: "To identify and advance the interests of the older people of Southwark".

The company aims to provide the best possible services and support for older people and to assist the general good of all older people in the London Borough of Southwark.

It continues to develop effective ways of providing care for older people and to consider innovative new approaches. It is involved with the local voluntary sector and engages in joint planning for local services.

The company provides early intervention services as well as more intensive care for those older people with greater needs. It has developed its current projects as well as seeking new ways to provide facilities for older people in the local community. Following the sale of the 32-bed Nursing Home for the Elderly Mentally Infirm, the two continuing principal areas of service within the Charity are:

Community Services

Three Day Care Facilities providing support for older people with physical and learning disabilities, mentally frail elders and black elders with mental health problems.

Two Early Intervention Centres

Two Community Care Support Projects

Primary Health Care Support Project

Home Care

1,100 hours per week of domiciliary care services are provided for more than 150 older people.

Age Concern Southwark Limited
Report of the Trustees
For the year ended 31st March 2005 (Continued)

Review of Activities

Community services

Community service activities, through provision of day care, early intervention service and community support, provide specific help in benefits maximisation and provision of direct care services as well as working closely with statutory agencies in providing support to older people.

The company has continued to provide specific support to black and other minority ethnic groups both through specialist projects and generic services. Continued support has also been given to GP practices within the borough through providing services to their older patients.

Home Care

The home care department continues to provide a comprehensive care and support service to older people in their own homes. It has a sub-contract with the Federation of Voluntary Sector Care Providers, which contracts directly with Southwark Social Services, and also provides home care on a 'spot contract' basis. All spot contracts with Southwark Social Services were transferred to a new 'cost & volume' contract with effect from 1st April 2004.

During the year, a more specialised service was introduced for clients who are terminally ill, working in partnership with Macmillan Cancer Relief. Considerable progress has been made in developing this service which officially launched in October 2004.

Nursing Home

The sale of the Nursing Home business and long leasehold interest to Excelcare Holdings for £1,200,000 was completed 28th May 2004. This sale realised £1,100,000 after costs of sale of £100,000. Southwark Primary Care Trust agreed to accept the sum of £1,100,000 as a full and final refund and release of the original capital grant which was provided to construct the Nursing Home. As part of this agreement a grant of £350,000 has been provided towards losses incurred in running the nursing home.

Dartmouth Road, Lewisham

Following closure of the Day Centre operated by Eldervine Ltd in June 2003, the Trustees instructed Edward Symmons Healthcare to market this freehold property. The sale of this property for £240,000 was completed on 28th June 2004. This sale realised £222,812 after costs of sale of £17,188 resulting in a profit on disposal of £72,796.

Organisation

The company operates in a multi-cultural borough and has a policy of reflecting this through the staff it employs, meeting the needs of older people from various cultural groups, and through staff and volunteers who can demonstrate respect for individuals' racial and ethnic identities, customs and beliefs.

The company continues to recognise the value of those who work in a voluntary capacity, including people on placements etc and is grateful to all those involved for their support.

Financial Position

The surplus for the year amounted to £51,331 (2004: loss of £638,011) after £72,796 surplus on sale of Dartmouth Road in the year.

The Trustees are confident that the company is now trading profitably as a result of action taken to stem the losses incurred in previous years. Proceeds from the disposals of both the leasehold interest in the nursing home and the freehold property at Dartmouth Road will provide sufficient resources to enable the company to continue to trade on a viable basis, to develop continuing activities and to pursue other opportunities in furtherance of its charitable objects.

Age Concern Southwark Limited
Report of the Trustees
For the year ended 31st March 2005 (Continued)

Future Developments

The trustees have established a Business Plan formulated around 5 strategic aims in furtherance of the mission statement. These strategic aims are as follows:

- 1 To seek to ensure the highest quality of life for older people in need of support in Southwark through development of existing Community and Primary Health Care Support Services, Day Centres and Early Intervention Centres and the Home Care Service.
- 2 To enable the voices of the full range of older people to be heard in Southwark, initially through the establishment of the new post of Director of Fundraising and Communications
- 3 To enable older people to contribute to Southwark's community life and prosperity, including revitalising volunteering in all areas of existing and new work and developing lifelong learning and employment opportunities for older people.
- 4 To bring to Southwark 'state of the art' approaches to work with/for older people through research, networking, and identifying best practice in working with older people and by establishing robust recruitment, selection, induction and training of staff and volunteers with the objective of working towards the Investor in People award.
- 5 To ensure the highest quality standards of governance, leadership and management of Age Concern Southwark

The company is also committed to developing an effective back office infrastructure in the key areas of governance, finance, administration, human resources management, information and communications technology, income generation, partnership, networking and quality assurance to underpin these strategic aims.

Reserves Policy

The Trustees have now adopted a Reserves Policy which takes into account:

- * An orderly closure period of 3/6 months
- * Contractual liabilities including rent, rates, service charges and vehicle & equipment leases
- * Other closure costs relating to redundancy, dilapidations, costs of sale and professional fees
- * Potential losses on illiquid assets including loss on disposal of fixed assets, bad debts, accrued income and prepayments
- * Other long term commitments and contingent liabilities

Implementation of this reserves policy has been subject to disposal of the long leasehold and freehold properties which have been held for sale and to release from the contingent liability for repayment of the grant provided for the construction of the Nursing Home as these were critical to the continuing financial stability of the company.

The trustees are now confident that a strategy has been implemented to enable the company to comply with this reserves policy within the next 3 years.

Investment Policy

A policy has been established to restrict investments to deposits and bonds placed with approved banking organisations. Currently all investments have been placed on deposits and Charity Bonds with NatWest.

Risk Assessment

The company identifies and manages risks as part of its day-to-day operational management.

A formal assessment of risks has been undertaken and the trustees are confident that there are adequate policies and practices in place to manage these risks.

Subsidiary Company

The company has a wholly owned subsidiary company, Age Concern Southwark Services Limited, whose directors are L. Kreitzman, G. Kyle, D.G. Raye, R.R. Sankar, P. Goode, G. Spencer and M. Jansen.

At 31st March 2005, an amount of £4,533 was due from Age Concern Southwark Services Limited.

Age Concern Southwark Limited
Report of the Trustees
For the year ended 31st March 2005 (Continued)

Connected Charities

King George VI Memorial Club (Camberwell and Lambeth)

King George VI Memorial Club (Camberwell and Lambeth) occupies 67 Crawford Road, Camberwell, London SE5, under a lease expiring on 31st March 2056, which is currently vested in the Official Custodian of Charity Lands. Under a Charity Commission scheme of arrangement dated 10th April 2001 Age Concern Southwark replaced the management committee of Age Concern Southwark as its trustee.

Eldervine Limited

I. Ritchie (resigned 14th April 2003) and A. Russell (resigned 14th April 2003) were directors and trustees of Eldervine Ltd, a registered charity offering care services in the London Borough of Lewisham; E McNally, who retired as chief executive of the company on 30th September 2002, continued as chief executive of Eldervine Ltd.

At 31 March 2005, Eldervine owed the company £64,068. The trustees consider it prudent to make a provision of £64,000 in the accounts against this debt.

Trustees' Responsibilities

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year. In preparing those financial statements the trustees are required to:

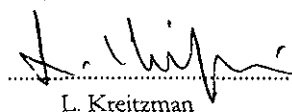
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and ensuring their proper application under charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution will be proposed at the Annual General Meeting that Kingston Smith be re-appointed as auditors to the company for the ensuing year.

Approved by the Board on 19th October 2005
and signed on its behalf:


L. Kreitzman

Trustee

Independent Auditors' Report to the Members of Age Concern Southwark Limited

We have audited the financial statements of Age Concern Southwark Limited for the year ended 31st March 2005 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets 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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

The trustees, who are also the directors of Age Concern Southwark Limited for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

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 Trustees' Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 and the group affairs as at 31st March 2005 and of the 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.



Kingston Smith
Chartered Accountants
and Registered Auditors

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 31 October 2005

Age Concern Southwark Limited
Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31st March 2005

	Note	Unrestricted funds £	Restricted Funds £	2005 Total £	2004 Total £
Incoming Resources					
Donations		28,260	-	28,260	8,296
Catering income		41,347	-	41,347	64,604
Placement fees		6,459	-	6,459	6,070
Other		10,943	-	10,943	7,074
Surplus on Sale of Fixed Asset		72,796	-	72,796	-
<i>Activities in furtherance of the charity's objects</i>					
Grants, contracts and service levels agreements	3	1,382,137	30,545	1,412,682	1,573,294
Primary purpose operations	2	46,181	-	46,181	39,016
<i>Activities for generating funds:</i>					
Management fees		29,800	-	29,800	-
Bank interest		23,753	-	23,753	1,936
<i>Discontinuing operations</i>					
Residents accommodation fees		154,597	-	154,597	1,047,450
Total Incoming Resources		<u>1,796,273</u>	<u>30,545</u>	<u>1,826,818</u>	<u>2,747,740</u>
Resources Expended					
<i>Cost of generating funds:</i>					
Fundraising and publicity		14,503	-	14,503	11,898
Primary purpose operations	2	21,301	-	21,301	19,349
Charitable Expenditure					
<i>Cost of activities in furtherance of the charity's objects:</i>					
<i>Direct charitable expenditure</i>					
Continuing operations		1,141,486	30,545	1,172,031	1,174,037
Discontinuing operations		193,699	-	193,699	1,146,167
Management and administration of the charity		373,953	-	373,953	376,554
Total Resources Expended	4	<u>1,744,942</u>	<u>30,545</u>	<u>1,775,487</u>	<u>2,728,005</u>
Net Incoming / (Outgoing) Resources for the Year before Exceptional item		51,331	-	51,331	19,735
Loss on disposal of discontinued operation		-	-	-	(657,746)
Net Movement in Charity Funds for the Year		<u>51,331</u>	<u>-</u>	<u>51,331</u>	<u>(638,011)</u>
Funds Brought Forward at 1st April 2004				<u>275,138</u>	<u>913,149</u>
Funds carried forward at 31st March 2005				<u>326,469</u>	<u>275,138</u>

The Statement of Financial Activities includes all recognised gains and losses in the current and preceding year.

The notes on pages 12 to 18 form part of these financial statements.

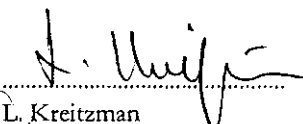
The information presented within the Statement of Financial Activities for the year ended 31st March 2005 is equivalent to that which would have to be disclosed in an income and expenditure account and accordingly a separate income and expenditure account has not been presented, as permitted by s226 Companies Act 1985. The amount of the net incoming resources for the year dealt in the financial statements of the parent charity is £47,379 (2004 - £(637,677)).

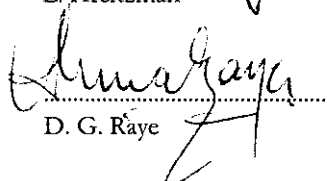
Age Concern Southwark Limited

Consolidated Balance Sheet at 31st March 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed Assets					
Tangible assets	5		25,747		166,255
Current Assets					
Debtors	7	123,690		623,390	
Cash at bank and in hand		<u>710,722</u>		<u>8,939</u>	
		<u>834,412</u>		<u>632,329</u>	
Current Liabilities					
Creditors	8	<u>(533,690)</u>		<u>(523,446)</u>	
Net Current Liabilities			<u>300,722</u>		<u>108,883</u>
Net Assets			<u><u>326,469</u></u>		<u><u>275,138</u></u>
Funds					
Unrestricted Funds					
General			<u><u>326,469</u></u>		<u><u>275,138</u></u>

Approved by the Board on 19th October 2005
and signed on its behalf by:

 Trustee
L. Kreitzman

 Trustee
D. G. Raye

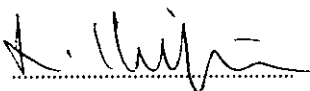
The notes on pages 12 to 18 form part of these financial statements.

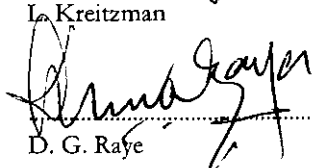
Age Concern Southwark Limited

Balance Sheet at 31st March 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed Assets					
Tangible assets	5		21,226		166,255
Investments	2		<u>2</u>		<u>2</u>
			21,228		166,257
Current Assets					
Debtors	7	122,347		620,165	
Cash at bank and in hand		<u>709,830</u>		<u>8,824</u>	
		<u>832,177</u>		<u>628,989</u>	
Current Liabilities					
Creditors owing under one year	8	<u>(531,660)</u>		<u>(520,882)</u>	
Net Current Liabilities			<u>300,517</u>		<u>108,107</u>
Net Assets			<u><u>321,745</u></u>		<u><u>274,364</u></u>
Funds					
Unrestricted Funds					
General			<u><u>321,745</u></u>		<u><u>274,364</u></u>

Approved by the Board on 19th October 2005
and signed on its behalf by:


Trustee
 L. Kreitzman


Trustee
 D. G. Raye

The notes on pages 12 to 18 form part of these financial statements.

Age Concern Southwark Limited
Consolidated Cashflow Statement
For the year ended 31st March 2005

	2005 £	2005 £	2004 £	2004 £
Net Cash Outflow from Operating Activities (Note 1)		474,816		51,750
Returns on Investments and Servicing of Finance				
Interest received	23,753		1,936	
Dividends received	<u>-</u>		<u>-</u>	
Net Cash Inflow for Returns on Investments and Servicing of Finance		23,753		1,936
Capital Expenditure				
Payments to acquire tangible assets	(19,658)		(13,967)	
Disposal of Fixed Assets	<u>222,872</u>		<u>-</u>	
Net Cash Outflow for Capital Expenditure		<u>203,214</u>		<u>(13,967)</u>
Net Cash Outflow before Management of Liquid Resources and Financing		701,783		39,719
Management of Liquid Resources				
Sale of investment		<u>-</u>		<u>-</u>
Increase in Cash (Note 2)		<u><u>701,783</u></u>		<u><u>39,719</u></u>

Age Concern Southwark Limited
Notes to the Consolidated Cashflow Statement
For the year ended 31st March 2005

1	Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities	2005 £	2004 £		
	Operating profit/ (loss)	51,331	369,735		
	Less: Bank interest received	(23,753)	(1,936)		
	Depreciation of tangible assets	10,090	36,677		
	Profit on disposal of fixed assets	(72,796)	-		
	(Increase)/Decrease in debtors	499,700	(439,541)		
	Increase/(decrease) in creditors	10,244	86,815		
	Net Cash Outflow from Operating Activities	474,816	51,750		
2	Reconciliation of Net Cash Flow to Movement in Net Debt (Note 3)	2005 £	2004 £		
	Increase in cash in the year	701,783	39,719		
	Change in net debt resulting from cash flows	701,783	39,719		
	Movement in net debt in the year				
	Opening net debt	8,939	(30,780)		
	Closing Net Debt	710,722	8,939		
3	Analysis of Net Debt	1st April 2004 £	Cash Flow £	Other non-cash changes £	31st March 2005 £
	Net cash:				
	Cash at bank and in hand	8,939	701,783	-	710,722
	Bank overdrafts	-	-	-	-
		8,939	701,783	-	710,722

Age Concern Southwark Limited

Notes to the Financial Statements

For the year ended 31st March 2005

1 Accounting Policies

Basis of Preparation

The consolidated financial statements include the financial statements of the charity and its subsidiary undertaking for the year ended 31st March 2005. The results of the subsidiary are consolidated on a line by line basis. A separate statement of financial activities is not presented because the charity has taken advantage of the provisions of paragraph 304 of the SORP.

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards, except for investments and the Companies Act 1985. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in October 2000.

Fund Accounting

General funds are available for use at the discretion of the directors in furtherance of the objects of the Charity.

Designated funds comprise general funds, which have been set aside at the discretion of the directors for specific purposes.

Restricted funds are funds subject to specific restrictions imposed by the donor. The purpose and use of restricted funds are set out in the notes to the accounts.

Incoming Resources

All income is accounted for on a receivable basis, except for investment income, which is accounted for on an accruals basis. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

Resources Expended

All expenses are accounted for on an accruals basis and include the related VAT cost. Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements. Charitable expenditure comprises direct expenditure including support staff costs and other overheads attributable to the activities. Fundraising and publicity costs are those incurred in seeking voluntary contributions for the charity. Management and administration costs are those incurred in connection with the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Depreciation

Depreciation is provided on all material tangible fixed assets at rates calculated to write off the cost over their expected economic lives as follows:

Freehold buildings	2% straight line
Leasehold buildings	2% straight line
Leasehold land	Nil
Motor vehicles	25% straight line
Fixtures and fittings	25% reducing balance
Computer and office equipment	33.3% straight line

All assets costing more than £500 are capitalised.

Company Status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the of the guarantee is limited to £1 per member of the charity. The members of the Charity are the Trustees named on page 1.

Age Concern Southwark Limited
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

1 Accounting Policies (Continued)

Operating Leases

Rentals under operating leases are charged to the Statement of Financial Activities as they fall due.

Pension Costs

The company operates a stakeholder pension scheme with Norwich Union. The company has made contributions to other personal and local government pension schemes. Total contributions paid in the year were £nil. (2004 - £1,019). Pension creditor at the end of year was £nil (2003- £nil).

2 Commercial Trading Operations

Age Concern Southwark Limited owns the entire issued share capital of Age Concern Southwark Services Limited, a company registered in England and Wales, comprising of 2 ordinary shares of £1 each. The activities of the company are that of Insurance Commission agents.

A summary of the trading results are shown below:

Summary profit and loss account	2005
	£
Turnover	46,181
Administrative Expenses	<u>(29,729)</u>
Profit on ordinary activities before Donation	16,452
Donation to Age Concern Southwark Limited under gift aid.	<u>(12,500)</u>
Profit on ordinary activities after Donation	3,952
Retained profit brought forward	<u>774</u>
Retained profit carried forward	<u><u>4,726</u></u>
The assets and liabilities of the subsidiary were:	
Fixed assets	4,521
Current assets	6,770
Creditors: Amounts falling due within one year	<u>(6,563)</u>
Total net assets	<u><u>4,728</u></u>
Aggregate share capital and reserves	<u><u>4,728</u></u>

3 Incoming Resources

	2005	2004
	£	£
Grants, contracts and service level agreements		
- Federation of Voluntary Sector Care Providers	436,387	428,401
- Social Services Department (Borough of Southwark)	596,361	751,143
- Cost & Volume contract 'spot contract' (Borough of Southwark)	218,749	307,216
- Macmillan Cancer Relief	53,166	-
- Joint Finance	105,000	86,534
- Other grants	<u>3,019</u>	<u>-</u>
	<u><u>1,412,682</u></u>	<u><u>1,573,294</u></u>

Age Concern Southwark Limited
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

4 Resources Expended	Staff Costs £	Other Costs £	Total 2005 £	Total 2004 £
Cost of generating funds	13,211	1,292	14,503	11,898
Cost of activities in furtherance of the charity's objects	1,019,406	367,625	1,387,031	2,339,553
Management and administration of the charity	313,490	60,463	373,953	376,554
	<u>1,346,107</u>	<u>429,380</u>	<u>1,775,487</u>	<u>2,728,005</u>
Other Costs:			£	£
Premises costs			103,715	116,636
Transport and travel			13,447	15,492
Running costs:				
- Cleaning			22,804	72,058
- Catering and medical supplies			42,548	88,758
- Service users' activities			5,689	7,000
- General administration			75,601	102,309
Insurance			32,130	51,039
IT expenses			13,149	13,955
Auditors' remuneration:				
- Audit			8,055	10,252
- Other services			-	889
Legal and professional fees			20,756	14,200
Depreciation			9,361	36,677
Operating lease rentals:				
- Equipment			42,844	29,086
- Motor vehicles			17,980	12,770
Bad debts			-	(5,726)
Primary purpose operations			<u>21,301</u>	<u>19,349</u>
			<u>429,380</u>	<u>584,744</u>
Staff Costs:				
Wages and salaries			1,199,761	1,834,739
Social security costs			106,054	161,649
Pension costs			-	1,019
Agency and Volunteer Staff			39,730	145,574
Consultants' fees			<u>560</u>	<u>280</u>
			<u>1,346,105</u>	<u>2,143,261</u>
			2005 No.	2004 No.
The average number of employees (full time equivalents) was:				
<i>Continuing Operations:</i>				
Charity			36	33
Homecare			<u>34</u>	<u>36</u>
			<u>70</u>	<u>69</u>
<i>Discontinuing Operations:</i>				
Nursing Home - Permanent (2 months' average to 28th May 2005)			25	22
- Bank staff (2 months' average to 28th May 2005)			<u>26</u>	<u>30</u>
			<u>51</u>	<u>52</u>

The Trustees did not receive any remuneration or expenses during the current or preceding year.

No employee received emoluments amounting to over £50,000 during the current or preceding year.

Age Concern Southwark Limited
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

5a Company Tangible Fixed Assets

	Freehold Buildings £	Motor Vehicles £	Computer and Office Equipment £	Total £
Cost				
At 1st April 2004	163,923	93,715	169,790	427,428
Disposal	(163,923)	(65,790)	(127,808)	(357,521)
Additions	-	-	14,408	14,408
At 31st March 2005	-	27,925	56,390	84,315
Depreciation				
At 1st April 2004	13,037	92,318	155,818	261,173
Disposal	(13,847)	(65,790)	(127,808)	(207,445)
Charge for the year	810	1,397	7,154	9,361
At 31st March 2005	-	27,925	35,164	63,089
Net Book Value				
At 31st March 2005	-	-	21,226	21,226
At 31st March 2004	150,886	1,397	13,972	166,255

5b Group Tangible Fixed Assets

	Freehold Buildings £	Motor Vehicles £	Computer and Office Equipment £	Total £
Cost				
At 1st April 2004	163,923	93,715	172,995	430,633
Additions	-	-	19,658	19,658
Disposal	(163,923)	(65,790)	(131,013)	(360,726)
At 31st March 2005	-	27,925	61,640	89,565
Depreciation				
At 1st April 2004	13,037	92,318	159,023	264,378
Charge for the year	810	1,397	7,883	10,090
Disposal	(13,847)	(65,790)	(131,013)	(210,650)
At 31st March 2005	-	27,925	35,893	63,818
Net Book Value				
At 31st March 2005	-	-	25,747	25,747
At 31st March 2004	150,886	1,397	13,972	166,255

6 Taxation

The charitable company is not subject to UK corporation tax in view of its charitable status.

Age Concern Southwark Limited
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

7 Debtors	Group 2005 £	Group 2004 £	Charity 2005 £	Charity 2004 £
Trade debtors	40,457	28,218	40,457	28,218
Residents ledger	10,908	98,682	10,908	98,682
Amounts due from subsidiary undertaking	-	-	4,533	725
Other debtors	13,634	460,432	7,758	460,432
Prepayments	42,891	29,996	42,891	29,996
Accrued income	15,800	6,062	15,800	2,112
	<u>123,690</u>	<u>623,390</u>	<u>122,347</u>	<u>620,165</u>

8 Other Creditors and Accruals	Group 2005 £	Group 2004 £	Charity 2005 £	Charity 2004 £
Trade creditors	79,051	153,747	79,051	153,747
Other creditors	788	22,814	788	20,250
Residents creditors	179,980	95,129	179,980	95,129
Residents cash	55,860	73,774	55,860	73,774
Social security and other taxes	26,342	42,865	26,342	42,865
Accruals	60,064	135,117	58,034	135,117
Deferred Income	131,605	-	131,605	-
	<u>533,690</u>	<u>523,446</u>	<u>531,660</u>	<u>520,882</u>

9 Operating Lease Commitments

At 31st March 2005, the group has annual commitments under non-cancellable leases as follows:

	2005		2004	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Operating leases which expire:				
within one year	20,000	940	3,825	2,432
two to five years	-	57,490	-	-
over five years	45,057	-	27,563	31,326
	<u>65,057</u>	<u>58,430</u>	<u>31,388</u>	<u>33,758</u>

10 Analysis of Net Assets between Funds

	Unrestricted Fund £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2005 are represented by:			
Tangible Fixed Assets	25,747	-	25,747
Current Assets	834,412	-	834,412
Current Liabilities	(533,690)	-	(533,690)
Total net assets	<u>326,469</u>	<u>-</u>	<u>326,469</u>

Age Concern Southwark Limited
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

11 Related parties

L. Kreitzman, G. Kyle, D. G. Raye, R. R. Sankar, G. Spencer, P. Goode and M. Jansen are directors of Age Concern Southwark Ltd and Age Concern Southwark Services Ltd. Age Concern Southwark Services Ltd is a wholly owned subsidiary company of Age Concern Southwark Ltd. S. C. Kling (resigned 30th June 2004) was also a director of Age Concern Southwark Ltd and Age Concern Southwark Services Ltd.

Age Concern Southwark has agreed to provide certain financial services to Age Concern Lambeth for 3 years from 1 July 2004. L. Kreitzman and G. Kyle are directors of Age Concern Services and Age Concern Lambeth.

At 31st March 2005 the following amounts were owed to Age Concern Southwark Ltd:

	2005 £	2004 £
Age Concern Southwark Services Limited	<u>4,533</u>	<u>725</u>

12 Statement of Funds

	At 1 April 2004 £	Incoming Resources £	Outgoing Resources £	At 31 March 2005 £
Unrestricted funds	275,138	1,796,273	(1,744,942)	326,469
Restricted funds:				
Yalding Early Invention Centre	-	15,000	(15,000)	-
Various	-	15,545	(15,545)	-
Total Funds	<u>275,138</u>	<u>1,826,818</u>	<u>(1,775,487)</u>	<u>326,469</u>

Unrestricted funds includes a surplus of £4,726 (2004: surplus of £774) attributable to the trading activities in the subsidiary.