

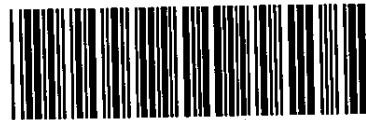
Equity Release Council

(A company limited by guarantee registered number 02884568)

Directors' report and audited financial statements

Year ended 31 December 2012

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**Equity Release Council
Year ended 31 December 2012**

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**Equity Release Council
Year Ended 31 December 2012**

Company Information

DIRECTORS:

N C Waterson - Chairman
C G Bolton
P Q P Couch
G M Hosty
J P King
S Kyle
V A Owen
C R Pond
J M Tweed

REGISTERED OFFICE:

3rd Floor, North West Wing
Bush House
Aldwych, London
WC2B 4PJ

REGISTERED NUMBER:

02884568

AUDITORS:

Hargreaves Brown & Benson
1 Bond Street
Colne
Lancashire
BB8 9DG

Equity Release Council

Report of the Directors for the year ended 31 December 2012

The directors present their report with the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was to act as a non-profit making trade association and to promote good practice and plan-holder protection in respect of home income financial products. On 8 May 2012 the company changed its name from Safe Home Income Plans to Equity Release Council.

DIRECTORS

The directors shown below have held office during the year

J D Almond (resigned 19/4/2012)
C G Bolton
P Q P Couch
L M Edmans (resigned 31/3/2012)
J Hall (resigned 15/3/2012)
G M Hosty
J P King
S Kyle
P Lucas (resigned 19/4/2012)
V A Owen
C R Pond (appointed 1/4/2012)
A M Rozario (appointed 1/4/2012)
C R Rumsey (resigned 19/4/12)
J M Tweed
N C Waterson (appointed 1/4/2012)

A M Rozario resigned as a director on 28 February 2013

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

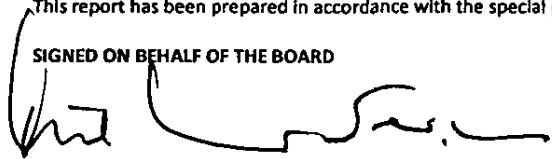
AUDITORS

The auditors, Hargreaves Brown & Benson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

SMALL COMPANIES PROVISIONS

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

SIGNED ON BEHALF OF THE BOARD



N Waterson - Chairman
11 April 2013

**Report of the Independent Auditors to the Members of
Equity Release Council**

We have audited the financial statements of Equity Release Council for the year ended 31 December 2012 on pages four to eight. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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 directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors.



Steven Wood FCA (Senior Statutory Auditor)
for and on behalf of Hargreaves Brown & Benson
1 Bond Street
Colne
Lancashire
BB8 9DG

11 April 2013

Equity Release Council

**Profit and Loss Account
for the year ended 31 December 2012**

	Notes	2012 £	2011 £
TURNOVER		721,403	389,556
Administrative expenses		(604,156)	(414,623)
OPERATING PROFIT / (LOSS)	2	<u>117,247</u>	<u>(25,067)</u>
Interest receivable and similar income		<u>6,518</u>	<u>4,837</u>
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		123,765	(20,230)
Tax on profit / (loss) on ordinary activities	3	<u>(1,304)</u>	<u>(979)</u>
PROFIT / (LOSS) FOR THE FINANCIAL YEAR		<u><u>122,461</u></u>	<u><u>(21,209)</u></u>

The notes on pages 6 to 8 form part of these financial statements.

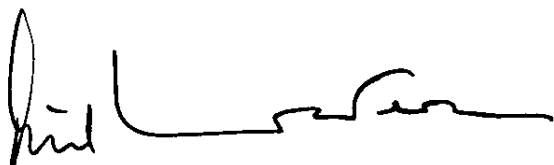
Equity Release Council

**Balance Sheet
As at 31 December 2012**

		2012		2011	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		2,380		743
CURRENT ASSETS					
Debtors	5	22,937		12,768	
Cash at bank		<u>416,101</u>		<u>336,742</u>	
		439,038		349,510	
CREDITORS					
Amounts falling due within one year	6	<u>(178,003)</u>		<u>(209,299)</u>	
NET CURRENT ASSETS			<u>261,035</u>		<u>140,211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>263,415</u></u>		<u><u>140,954</u></u>
RESERVES					
Profit and loss account	7		<u>263,415</u>		<u>140,954</u>
			<u><u>263,415</u></u>		<u><u>140,954</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 11 April 2013 and were signed on its behalf by.



N Waterson - Chairman

Equity Release Council

Notes of the Financial Statements for the year ended 31 December 2012

I. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover, which is derived entirely from members, represents subscriptions and contributions towards specific expenses

Subscriptions are recognised in relation to the accounting period to which they relate, any balances being treated as either accrued or deferred income

Contributions towards expenses are recognised when the costs to be reimbursed are incurred

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Computer equipment - 25% on cost

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

Taxation

The company, which is a trade association and cannot distribute surpluses to members, is not liable to corporation tax on its operating surplus or loss

A corporation tax liability may arise on investment income which the company may receive

2. OPERATING PROFIT

The operating profit is stated after charging

	2012	2011
	£	£
Depreciation - owned assets	924	1,110
Auditors remuneration	2,220	2,119
Pension costs	<u>3,125</u>	<u>10,000</u>
Directors' remuneration and other benefits	<u>107,900</u>	<u>12,000</u>

3. TAXATION

Analysis of the tax charge

The tax charge on investment income for the year was as follows

	2012	2011
	£	£
Current tax		
UK corporation tax	<u>1,304</u>	<u>979</u>

Equity release Council

Notes to the financial statements - continued
for the year ended 31 December 2012

4 TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2012	4,527
Additions	2,561
Disposals	<u>(3,390)</u>
At 31 December 2012	<u>3,698</u>
DEPRECIATION	
At 1 January 2012	3,784
Charge for year	924
Disposals	<u>(3,390)</u>
At 31 December 2012	<u>1,318</u>
NET BOOK VALUE	
At 31 December 2012	<u>2,380</u>
At 31 December 2011	<u>743</u>

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Trade debtors	15,832	7,016
Accrued income	5,141	3,820
Prepayments	<u>1,964</u>	<u>1,932</u>
	<u>22,937</u>	<u>12,768</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £	2011 £
Deferred income	119,657	164,386
Trade creditors	27,940	36,019
Taxation	1,304	979
Social security and other taxes	10,163	5,875
Accrued expenses	<u>18,939</u>	<u>2,040</u>
	<u>178,003</u>	<u>209,299</u>

7 RESERVES

	Profit and loss account £
At 1 January 2012	140,954
Profit for the year	<u>122,461</u>
At 31 December 2012	<u>263,415</u>

Equity Release Council

**Notes of the Financial Statements - continued
for the year ended 31 December 2012**

8. RELATED PARTY DISCLOSURES

Consultancy services costing £45,000 (2011 £nil) were provided to the Council by N C Waterson

Consultancy services costing £31,193 (2011 £nil) were provided to the Council by C R Pond

Consultancy services costing £4,500 (2011 £26,000) were provided by a company of which the former Chairman, Mr L M Edmans, is a director

The charges were made on a normal commercial basis

9. COMPANY STATUS

The company is limited by guarantee and does not have a share capital.

The liability of each member, of which there were 206 at 31 December 2012, is limited to £1

In the event of a liquidation any surplus shall be transferred to a charitable institution having the same objects