

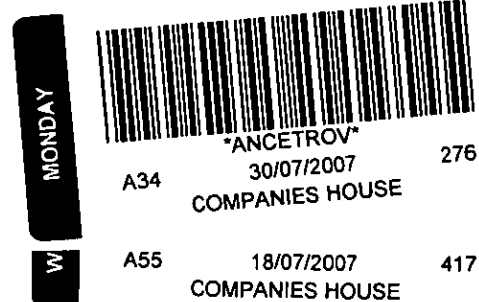
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**Age Concern Sir Gâr**  
Directors report  
and consolidated  
financial  
statements for  
year ended  
31st August 2006

Registered Charity / Elusen Gofrestredig 1106321  
Registered Company / Elusen Gwmni 5207722

Charles & Co  
3 Murray Street  
Llanelli  
SA15 1AQ



## **Legal and Administrative Information**

Age Concern Sir Gâr is both a registered Charity No 1106321 and registered Company No 5207722

The Board of Directors have a legal responsibility and duty to both Charity and Company Law

### **Board Members**

Mr H Owen, President  
Mr B Williams, Chair  
Mr B Hitchman, Vice Chair  
Mrs L Evans, MBE  
Cllr M E James, MBE  
Mrs I Jones  
Mrs P Nicholas  
Mrs G Phillips  
Cllr, D Thomas  
Mrs J Williams  
Mr R Soady

### **Senior Staff**

Day to day management of the Charity is devolved to -

Mr Glan Morris, Chief Officer

The Principal Office of Age Concern Sir Gâr is -  
8 Murray Street Llanelli SA15 1DZ  
Tel 01554 784080  
Fax 01554 746706

E-mail  
glan.morris@ageconcernsirgar.co.uk  
Website [www.ageconcernsirgar.org.uk](http://www.ageconcernsirgar.org.uk)

### **Bankers**

National Westminster Bank  
59 King Street  
Carmarthen  
SA31 1BB

### **Auditors**

Charles & Co  
3 Murray Street  
Llanelli  
SA15 1AQ

### **Solicitors**

Randall, Lloyd, Jenkins & Martin Ltd  
23 Murray Street  
Llanelli SA15 1AQ

# **Report of the Directors**

## **Chairman's Introduction**

Our purpose as always is to promote the relief of elderly people throughout Carmarthenshire. The range of free services we provide, has this year again, made a significant contribution to this end. Services have been extended and delivery improved despite staff cuts.

Our financial position has improved due to all aspects of expenditure being prepared 'in house' thus enabling us to provide tighter financial control on our spend.

What many people are unaware of is the fact that out of a population of 172,000 (2001 Census) in the County over 49,000 of those are over 50 years and are all eligible to ask for our assistance.

## **Governance**

Age Concern Sir Gâr is independently constituted by means of a Governing Document known as Standard Document 3, issued by Age Concern England and approved by the Charity Commission for use with the Age Concern movement. The Board of Directors comprises 10 members together with an independently elected Chair.

The Directors are familiarised with the working of the Charity prior to appointment. On appointment the Chief Officer takes responsibility for providing a more detailed induction to the Charity and equips the new Director with relevant documentation, including Age Concern Sir Gâr's Staff and Directors Handbook and appropriate Charity Commission publications.

Our principal objectives for the current year are stated later in the report. The Directors are confident that the Chief Officer and his Staff will go some way to achieve in these. They are determined that Age Concern will continue to play its major role in assisting older people throughout Carmarthenshire.

The Board of Age Concern Sir Gâr is a non executive body, delegating day to day management of the Charity to the Chief Officer. Its role is to establish the strategic directions of the Organisation, to set appropriate policies in place in order to meet the objectives of the Charity and to exercise scrutiny of performance and managerial

functions. There is one Standing Committee, Officers Group, which reports directly to the Board. The Board of Directors meets 6 times, a year together with an Annual General Meeting, which is normally held in the New Year.

The Staff of Age Concern Sir Gâr are organised in a formal line management structure, thus allowing a mode of communication and support to all levels of the Organisation.

Age Concern Sir Gâr is a member of Age Concern Cymru, the movement's national body and also of The Wales Council for Voluntary Action. The Organisation is also a member of Age Concern Partnership Wales, a body established to provide mutual support to Age Concern Organisations in Wales.

## **Risk Management**

During this financial year, the Board has received a risk assessment report and are satisfied that appropriate procedures and policies are in place to mitigate against risk.

## Objectives and Activities

The charitable object of Age Concern Sir Gâr is " to promote the relief of elderly people " This is satisfied principally by providing a range of direct high quality services to older people, although there is a significant input into the planning and development efforts of the statutory sector by means of partnership work

For the year under consideration, the Charity had set out a number of key objectives -

- (a) The maintenance of high quality direct services to older people under fully funded contract where appropriate
- (b) Complete the Strategic Review of the Organisation 2006-2011
- (c) Consolidate the core support services of the Organisation
- (d) Sustain appropriate relationships with the Statutory Sector
- (e) Complete the Business Plan 2006-2009

In order to achieve the objectives set out above, a detailed budget was set which, although predicting a deficit for the first time in 8 years, allowed sufficient resources to make them realistic

## Achievements and Performance

During the year, the Charity can claim with a high degree of satisfaction that it has achieved the objectives despite cutbacks in staff hours

With regard to its services, all contractual requirements were met. Contract review meetings are a regular feature of the Organisation's work with the Statutory Sector and no significant problems were encountered, although we were unsuccessful in retaining the Befriending contract

Age Concern Sir Gâr's internal quality control systems (random case sampling, supervision) also revealed no significant difficulties. Service user satisfaction surveys revealed a high satisfaction rating in excess of 95%

During the year, statistical returns demonstrated that over 3,800 older people were helped by Age Concern Sir Gâr

The Charity continues to look to the future and during the year received a new Business Strategic Plan and Report as part of a strategic review. Both documents will allow the Charity to position itself to meet new challenges moving forward and to maximise the independence which it enjoys

Age Concern Sir Gâr has grown significantly in terms of its range of services. Coupled with the increasing demands of an external regulatory environment (employment legislation, equalities legislation C S I W etc) this growth has underlined the need for a stable and professional core to support the work of the Charity and to minimise risk. It should be noted, however, that the additional costs and pressures imposed by the external regulatory environment are largely outside the control of the Charity

During the year, we have established an enhanced 'in house' financial control and purchasing systems. These developments will provide the crucial support required to deliver high quality front line services to older people

The Senior Management of Age Concern Sir Gâr has continued to invest time in maintaining professional relationships with colleagues in the Statutory Sector. These activities have included attendance at Forums to represent the views of older people and Contract Review Meetings with the Social Care and Housing Department of the Local Authority

The Chief Officer has been involved in a range of activities relating to national issues, (e.g. Age Concern Partnership Wales and Age Concern's Chief Officer Network)

In order to continue to deliver high quality volume services to older people, the recruitment, retention and training of the best calibre of staff are critical. During the year, staff continued to receive ongoing training relevant to the function of their work (elder abuse, volunteer recruitment, information services etc)

This is a considerable achievement and staff are to be congratulated on their efforts

## Financial Review

Despite *yet* another year of uncertainty over our incoming resources we were with prudent management able to carry forward a surplus of £17,164 07 which approximated to grants already paid into the new financial years account. The Charity has had to utilise unrestricted funds to support its key Information and Advice Service.

Overall, however, mainly due to a generous legacy, the Charity currently remains in a satisfactory financial position, a view as you will read further on, is endorsed by our Auditors. Currently the level of reserves, both restricted and unrestricted, are able to satisfy the requirements of cash flow and the reserves policy. However this trend may only last a matter of some months unless funding is secured.

## Reserves Policy

In the year under consideration, the requirements of the Reserves Policy were met and balanced mainly by staff cuts in the main.

Key to the financial control of the Charity is the scrutiny work undertaken at the Officers Meeting and the financial monthly analysis reports prepared for all Board and Local Authority Member meetings, together with supporting policies, most notably Financial Regulations. Financial Regulations are reviewed annually and have been examined and updated in the financial year under review. Updated Financial Regulations have been approved by the Board.

The principal sources of funding for the Charity during the year were by means of a Service Level Agreement with the Local Authority and Grants from various Trusts.

## Responsibilities of the Directors

The Charities Act requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing these financial statements, the Directors are required to -

- (1) select suitable accounting policies and then apply them on a consistent basis,
- (2) make judgements and estimates that are prudent and reasonable, and
- (3) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Directors are responsible for keeping 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 Charities Act 1993. The Directors are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or 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 234Za of the Companies Act 1985) of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Signed by:



Mr Bernard Williams, Chairman

Approved by the members of the Board on 1<sup>st</sup> November 2006

## Conclusion and Future Objectives

The next financial year will see some important objectives to be met in addition to the maintenance and development of front line services

- An Organisational Review between ourselves and the Social Care and Housing Department to establish a sounder base in the possible delivery of support services
- The Charity will launch its Website, together with associated publicity material
- Introduce an Advocacy Service (pilot)
- Introduce a Burglary Prevention Scheme
- To apply for Objective One Funding to establish the post of a Funding Manager

- Trading Standards
- Care & Repair
- Carmarthenshire Tourist Association
- Carmarthenshire Disabilities Association
- Fire Brigade
- CAVS
- Community Council Grants

The Charity is indebted to the numerous personal donors who have given so generously over the year, and without whose support, our work would be considerably more difficult to achieve

## Acknowledgements

Age Concern Sir Gâr gratefully acknowledges the support of its partners, Funders and a substantial legacy bequest

- Carmarthenshire Social Care and Housing Department
- The Henry Smith Trust
- Welsh Council for Voluntary Action
- Keep Well This Winter Campaign
- Dyfed Powys Probation Service
- Gulbenkian Trust
- Tesco
- Roger Vere Foundation
- The Bobby Van Scheme
- CATCH - UP
- Age Concern Cymru

## **Chief Officer's Annual Report 2006**

Over the past year, despite unavoidable staff cuts due to financial restraints we have been able to maintain our support for the over 50s throughout Carmarthenshire, with over 3800 people being given accurate advice and practical help through our wide range of free services to support those most at risk mainly through social isolation and ill health

Life can be complex and bureaucratic for older people with statutory Agencies facing huge budget deficits making the implementation of their eligibility criteria more stringent and often difficult for older people to access services

We see our role as being to listen, assess need and to be advocates to ensure that older people's rights to services are best met

Over 49,000 people over the age of 50 can access our services throughout Carmarthenshire. In ten years time it is forecast that this figure will increase to nearer 60,000. Currently, the County has the second highest population of older people in Wales

Our work is very much valued and during the last year or so great emphasis has been placed on developing partnerships with similar agencies as ourselves to ensure the provision of integrated services is maximised as much as possible. Our range of free services include Handyperson, Good Neighbour, Phone a Friend, Gardening, Internet Taster Tuition and Information and Advice and are outlined in greater detail on the next page

Future developments included within our Strategic Plan is to increase all levels of current services and to establish an Advocacy Service, an Age Resource Desk and create the establishment of Satellite Offices throughout the County. Funding has also been applied in respect of appointing staff and volunteers to undertake Burglary Prevention Audits throughout the County, which, if approved, will be introduced in early 2007

## SERVICES WE PROVIDE

Age Concern is available for everybody over 50. Each day we touch the lives of many older people in Carmarthenshire. Campaigning for a better deal and providing services, information and support so everyone can make more of later life.

Age Concern Sir Gâr was founded in 1995, recently celebrated 10 years of valuable service to older people in Carmarthenshire. Gradually we have increased our service provision which potentially can provide a range of free services to over 49,000 older people in the County out of a total population of over 172,000 (2001 Census).

As part of a National Charity, Age Concern is second only to the Government in providing high quality help and care for older people. One of our key aims are to promote and improve the health and well-being of older people through integrated planning and service delivery frameworks and more responsible diagnostic support service.

The second is to promote the provision of high quality services and support which will enable older people to live as independently as possible in a suitable and safe environment and ensure services are organised around and responsive to their needs.

### Information & Advice

We provide up to date information and advice on a range of issues affecting older people and their carers e.g. community care, consumer rights, health, financial, leisure, learning and work. We provide fact sheets, publications and briefings to meet changes in legislation. We consult with other agencies that work on behalf of and provide services for older people such as Social Services, The Carers Alliance, The Pension Service, Carmarthenshire C L S Service Partnership, Catch Up, etc.

### Good Neighbour Scheme

The Good Neighbour Scheme exists to alleviate loneliness experienced by older people normally living alone, who are isolated for a variety of reasons such as location, disability and ill health. It supplements the statutory care package provided by Social Services which aims to maintain the person's independence and to enable the person to live in their own homes for as long as possible. The Scheme operates with

volunteers who carry out weekly visits at pre-arranged times and spend approximately 1-2 hours with the client providing companionship and dealing with any problems they may have.

### Phone A Friend

The scheme entails a volunteer keeping in regular contact with a client by telephone. Each volunteer is provided with a list of contact numbers - relatives, friends, neighbours etc. and is able to inform the Co-ordinator at the office if there are problems being experienced by the client, which may require a follow up visit from a Social Worker. Currently there are twenty clients in receipt of the service. It provides a vital link to people who are socially isolated and have nobody to turn to. Recently we have been able to provide a volunteer in the office to develop the scheme for new clients.

which will significantly increase the client base. Many of our volunteers who undertake the service are often housebound themselves which also helps them to be involved in an therapeutic activity.

### Handyperson Scheme

The scheme provides for minor repair work to be carried out such as changing tap washers, erecting curtain rails etc. The client pays only for the purchase of materials used by the volunteer. The scheme is again serviced by volunteers who have varying degrees of skills. Although the scheme is very popular there is a need to recruit more volunteers throughout the County. There are various problems with the scheme especially on the question of risk assessment and satisfactory insurance cover for the volunteers. These problems however are being overcome with trained staff undertaking induction and risk assessment accreditation. Many older people are charged exorbitant rates for minor repairs which they can ill-afford.

### Gardening Scheme

The Scheme is run mainly in the Llanelli, Gwendraeth and Amman Valley areas in conjunction with the Dyfed Powys Probation Service and has been highly successful since its introduction six years ago. The aim of the



Scheme is to help older people who are unable to clear and maintain their lawns and gardens due to family bereavement, disablement or sickness Since the Scheme commenced six years ago over 1200 gardens have been tended by the Community Punishment Team All referrals processed by the Information Officer are copied to the Bobby Van Scheme who will, with the client's permission, arrange to visit and carry out a routine burglary preventive audit of the premises and provide equipment free of charge to make secure the premises Many of the gardens tended have on some occasions taken 3-5 days to clear completely so that clients for the first time in many years have been able to access their garden Information is also forwarded to the Occupational Therapist if ramps or handrails are required to access the gardens

## **Silver Surfers Scheme**

The Scheme provides free internet sessions at the office and is very well subscribed It is hoped that with adequate funding to purchase lap-tops, volunteers can be trained to visit clients within their own homes One of the main benefits of the Scheme is to encourage on-line shopping in areas where shops have closed and there is restrictive transport resources available especially with clients who are housebound

## **Campaigning**

We continually campaign to champion the needs of the elderly on both a County and National level

## Report of the Independent Auditors

I report on the accounts of the Trust for the year ended 31<sup>st</sup> August 2006, which are set out on pages 11 to 15

### Respective responsibilities of Director and Examiner

The Charity's Directors are responsible for the preparation of the accounts. The Charity's Directors consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is required

It is my responsibility to

- Examine the accounts (under section 43(3)(a) of the 1993 Act),
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act), and
- To state whether particular matters have come to my attention

### Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts

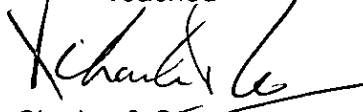
### Independent examiners' statement

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with s41 of the 1993 Act, and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Act

have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

  
Charles & Co  
3 Murray Street  
Llanelli  
SA15 1AQ

30<sup>th</sup> October 2006

# AGE CONCERN SIR GÂR

## BALANCE SHEET AS AT 31<sup>ST</sup> AUGUST 2006

	2006	
	£	£
<b>FIXED ASSETS</b>		3,898
<b>CURRENT ASSETS</b>		
CAF Gold Account	3	
Cash in Hand	175	
Bank Account	<u>15,994</u>	
	<u>16,172</u>	
<b>LESS CURRENT LIABILITIES</b>		
Bank overdraft	-	
Creditors & Accruals	<u>2,905</u>	
	<u>2,905</u>	
<b>NET ASSETS</b>		13,267
		<u>17,165</u>

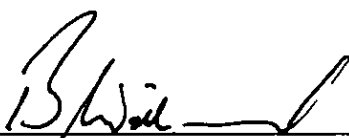
**Represented By:**

### FUNDS

#### Income Funds:

Unrestricted Funds	
Core	29,282
Restricted Funds	
Befriending	(24,088)
Handyperson	(4,303)
Gardening	1,713
Volunteer Co-ordinator	<u>14,561</u>
	<u>17,165</u>

Approved by the Directors and signed on their behalf by

  
\_\_\_\_\_

  
\_\_\_\_\_

Date - 1/11/06

**AGE CONCERN SIR GÂR**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST AUGUST 2006**

	<u>Unrestricted</u>		<u>Restricted</u>		<u>Volunteer</u>	
<u>INCOMING RESOURCES</u>	<u>Core</u>	<u>Handy Person</u>	<u>Befriending</u>	<u>Gardening</u>	<u>Coordinator</u>	<u>Total</u>
<u>Donations</u>						
Core	30,264 70					30,264 70
Handyperson		88 00				88 00
Befriending			165 00			165 00
Gardening				137 50		137 50
<u>Grant Income</u>						
Core	85,623 90					85,623 90
Handyperson						-
Befriending			9 625 00			9 625 00
Volunteer Coordinator						-
Gardening				1,552 10		1,552 10
<u>Other Income</u>						
Sundry Income						-
<b>Total Income Resources</b>	<b>115,888 60</b>	<b>88 00</b>	<b>9,790 00</b>	<b>1 689 60</b>	<b>-</b>	<b>127,456 20</b>
<u>EXPENDITURE</u>						
<u>Direct Expenditure</u>						
Salaries, NI & Superannuation	49,490 05	286 00	14,669 80			64,445 85
Handyperson Expenses		2 197 55				2,197 55
Befriending Expenses			8,929 88			8,929 88
Trading Expenses						-
Volunteer Co-ordinator Expenses						-
Shopping Expenses						-
Training Costs						-
<u>Management &amp; Administration</u>						
Core Expenses	3,349 85					3 349 85
Rent & Service Expenses	8 872 29					8,872 29
Postage & Stationery	4,210 46					4 210 46
Telephone	4,883 74					4 883 74
Insurance	1,417 82					1,417 82
Advertising & Promotion	612 50					612 50
Subscriptions & Licences	252 00					252 00
Office Equipment						-
Accountancy	1,880 00					1 880 00
Book-keeping	-					-
Legal fees	-					-
Miscellaneous Expenses	650 48					650 48
Bank Charges	208 45					208 45
Cleaning	45 00					45 00
Repairs & Maintenance	256 87					256 87
Information	-					-
Depreciation	919 58	122 61	183 91			1,226 10
<b>Total Expenditure</b>	<b>77 049 09</b>	<b>2,606 16</b>	<b>23,783 59</b>	<b>-</b>	<b>-</b>	<b>103,438 84</b>
<b>Net (Outgoing)/Income Resources for the Period</b>	<b>38 839 51</b>	<b>(2 518 16)</b>	<b>(13 993 59)</b>	<b>1 689 60</b>	<b>-</b>	<b>24,017 36</b>
<b>Total Funds B/F</b>	<b>(9,557 26)</b>	<b>(1,784 65)</b>	<b>(10,094 65)</b>	<b>23 07</b>	<b>14 561 12</b>	<b>(6,852 37)</b>
<b>Total Funds C/F</b>	<b>29 282 25</b>	<b>(4 302 81)</b>	<b>(24 088 24)</b>	<b>1 712 67</b>	<b>14,561 12</b>	<b>17,164 99</b>
<b>Gross Income as above</b>						
Unrestricted Funds		115 888 60				
Restricted Funds		11,567 60				
			127,456 20			
<b>Total Expenditure as above</b>						
Unrestricted Funds	77,049 09					
Restricted Funds	26,389 75					
			103 438 84			
<b>Net (Expenditure)/Income For The Period</b>				<b>24,017 36</b>		

# AGE CONCERN SIR GÂR

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2006

### 1. ACCOUNTING POLICIES

#### (a) General

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and follows best practice as laid down in the Statement of recommended practice "Accounting and Reporting by Charities" (SORP 2005)

#### (b) Resources Expended

The accounts have been prepared on an accruals basis

#### (c) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less it's estimated residual value, over the economic life of that assets as follows

Office Equipment - 15% Reducing balance  
Computer Equipment - over 3 years Straight line

#### (d) Pensions

The Charity has arranged a defined contribution pension scheme for its staff members. The Assets of this scheme is held separately from those of the Charity, being invested with Insurance Companies. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Charity in the year

### 2. ANALYSIS OF NET DEBT BY FUND

	Unrestricted Core	Handyperson	Restricted Befriending	Gardening	Volunteer Co-ordinator	Total
<b>Fixed Assets (NBV)</b>	2924	390	584	-	-	3898
<b>Current Assets</b>						
Bank	(17409)	18325	(13038)	2313	25980	16172
<b>Current Liabilities</b>						
Creditors & Accruals	(2758)	-	(147)	-	-	(2905)
<b>Fund Balance</b>	<u>(17242)</u>	<u>18715</u>	<u>(12601)</u>	<u>2313</u>	<u>25980</u>	<u>17165</u>

## AGE CONCERN SIR GÂR

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2006

#### 3. EMPLOYEES' REMUNERATION

The remuneration (including employer's contributions) for the period amounted to £64,445 85  
The average number of paid employees for the year were 3

Core (Administration of the Charity)	2
Befriending	<u>1</u>
	<u>3</u>

#### 4. DIRECTOR'S REMUNERATION AND EXPENSES

No remuneration directly or indirectly out of the funds of the Charity was paid or payable for the year to any Director or to any person or persons known to be connected with any of them  
Reimbursement of expenses has been made to Directors in respect of the year

#### 5. FIXED ASSETS

	Office Equipment	Computer Equipment	Total
	£	£	£
<b>CostB/F</b>	<u>7433</u>	<u>2141</u>	<u>9574</u>
	<u>7433</u>	<u>2141</u>	<u>9574</u>
<b>Depreciation B/F</b>	3114	1336	4450
<b>Charge for the year</b>	<u>648</u>	<u>578</u>	<u>1226</u>
	<u>3762</u>	<u>1914</u>	<u>5676</u>
<b>Net Book Value</b>	<u>3671</u>	<u>227</u>	<u>3898</u>

## **AGE CONCERN SIR GÂR**

### **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2006**

#### **6. CREDITORS AND ACCRUALS**

Included in Creditors and Accruals are the following amounts

	<b>2005 £</b>
Salary	1880
Accountancy Fee	1025
	<u>2905</u>

#### **7. COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2006 the Charity had annual commitments under non-cancellable operating leases of £8,500

The operating lease expires 31<sup>st</sup> August 2012

## 1. Your responsibilities as trustees

- 1 1 As trustees of the charity, you are responsible for preparing financial statements that give a true and fair view of the incoming resources for the year, the application thereof, and of the state of affairs of the charity at the end of the year, adequately distinguishing any material special trust or other restricted fund in preparing those financial statements, you are required to

(a) select suitable accounting policies and then apply them consistently,

(b) make judgements and estimates that are reasonable and prudent, and

(c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the charity will continue

- 1 2 As trustees of the charity, you have a duty to prepare an annual report for each financial year complying in its form and content with regulations made under the Charities Act 1993. You are also required to have regard to the Statement of Recommended Practice *Accounting and Reporting by Charities* (revised 2005), published by the Charity Commissioners for England and Wales

- 1 3 You are responsible for keeping 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 Charities Act 1993 (the Act). You are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

- 1 4 You are also responsible for determining whether, in respect of the year, the charity meets the conditions for exemption from an audit set out in section 43 of the Charities Act 1993, namely that

(a) the charity's gross income or total expenditure in the current year is more than £10,000, but not more than £250,000 in the current year nor either of the two preceding years, and

(b) no notice has been received from the Charity Commission requiring an audit

- 1 5 If, in respect of the year, the charity satisfies the above criteria, the availability of the exemption from an audit of the financial statements is conditional upon your causing an independent examiners' report to be prepared in respect of the financial statements in accordance with section 45 of the Charities Act 1993. You are responsible for deciding whether the report shall be made and for appointing us as reporting accountants to make that report to the trustees of the charity
- 1 6 If gross income falls to £10,000 or less for the year, then, provided the other criteria set out above are met, you will need neither an audit nor an independent examiners' report

## 2. Our responsibilities and independent examiners

- 2 1 We shall plan our work on the basis that an independent examiners' report is required for the year, unless you inform us in writing that either

(a) the Charity requires an audit of the financial statements, or

(b) the Charity requires neither an audit nor an independent examiners' report

- 2 2 Should you instruct us to carry out an audit, then the terms of that assignment will be dealt with in a new engagement letter. Should you inform us that the Charity requires neither an audit nor an independent examiners' report, then we shall have no responsibilities to the Charity, except those specifically agreed upon between us in respect of other professional services

- 2 3 As independent examiners, we have a statutory responsibility to report to the members of the Charity whether, in our opinion, there is reasonable cause to believe that, in any material Respect



(a) accounting records have not been kept, contrary to the requirements of section 41 of the 1993 Act,

(b) the financial statements do not agree with those accounting records,

(c) the financial statements do not comply with any of the accounting requirements specified in regulation 3 of the Charities (Accounts and Reports) Regulations 2000, except to the extent necessary to show a true and fair view

2 4 Should our work indicate that the Charity is not entitled to exemption from an audit of the financial statements, then we will inform you of this. In such circumstances, we will not issue any report and will withdraw from the engagement to prepare an independent examiner's report, notifying you in writing of the reasons. In these circumstances, if appropriate, we will discuss with you the possibility of appointing us as auditors

2 5 We have a professional responsibility not to allow our name to be associated with financial statements that are, or may be, misleading. Therefore, although we are not required to search for such matters, should we become aware, for any reason, that the financial statements are, or may be, misleading then if the matter cannot be adequately dealt with by means of qualifying our opinion (or by other appropriate modifications of the report), we will not issue any report. In such circumstance we will withdraw from the engagement, and will notify you in writing of the reasons

### 3. Scope of independent examination

3 1 Our work as independent examiners will be carried out in accordance with guidance for such engagements issued by the Charity Commission. It will consist of comparing the financial statements with the accounting records kept by the

Charity, and making such limited enquiries of the Directors and Staff of the Charity as we may consider necessary for the purpose of our report

3 2 As part of our normal procedures, we may request you to provide written confirmation of any information or explanations provided by you orally during the course of our work

3 3 Our work as reporting accountants will not be an audit of the financial statements in accordance with Auditing Standards. Accordingly, we will not obtain any independent evidence relating to entries in the accounting records, or to the amounts or disclosures in the financial statements. Consequently our work as reporting accountants will not provide any assurance that the accounting records or the financial statements are free from material misstatement whether caused by fraud, other irregularity or error

3 4 Because we will not carry out an audit, nor otherwise confirm the accuracy or reasonableness of the accounting records maintained by the Charity, we will be unable to provide any assurance as to whether the financial statements that we prepared from those records give a true and fair view

### 4 Other services

4 1 We have also agreed to prepare the annual accounts

4 2 However, there are many other areas where we can be of assistance and we shall be pleased to discuss any matters with you. These other services include

(a) reports in support of returns or claims e.g. Insurance company certificates, government claims etc.,

(b) advice on financial matters,

(c) management accounting, including such matters as cash flow statements, costing systems, etc., and advice on management,

- (d) advice on the selection and implementation of computer systems,
- (e) investigations for special purposes, e.g. acquisitions of other businesses, or examination of specific aspects of your business, and
- (f) advice on the selection and recruitment of staff

Yours faithfully

Charles and Co  
3 Murray Street  
Llanelli  
Carmarthenshire  
SA15 1AQ

## 5. Limitation of liability

- 5.1 Our aggregate liability to your or any other party, of whatever nature, whether in contract, tort or otherwise for any losses whatsoever and howsoever caused arising from or in any way connected with the services described within this engagement letter shall not exceed twenty times our fee (including interest)

I confirm that I have read and understood the contents of this letter and agree that they accurately reflect the services that I have instructed you to provide

Signed  Dated 1/11/06

For and on behalf of Age Concern Sir Gâr

## 6. Agreement of terms

- 6.1 The terms set out in this letter shall take effect immediately upon your countersigning this letter and returning it to us or upon the commencement of our work
- 6.2 Once it has been agreed, this letter will remain effective until it is replaced. We shall be grateful if you could confirm your agreement to these terms by signing the enclosed copy of this letter and returning it to us immediately