

## Report of the Board of Trustees and Accounts For the year ended 30th April 1994



**Patron:**  
HRH The Princess of Wales

**President:**  
Peter Bowring, CBE

**Vice Presidents:**  
Marchioness of Dufferin and Ava  
Princess Helena Moutafian, MBE  
The Duke of Devonshire, MC, PC  
Frank Baker

**Joint Honorary Treasurers:**  
The Duke and Duchess of Norfolk

**Director General:**  
John Mayo, OBE

**Auditors:**  
Hays Allan

**Bankers:**  
Barclays Bank PLC

**Solicitors:**  
Wedlake Bell

**Chairman of the Board of Trustees:**  
\* William Menzies-Wilson, CBE

**Board of Trustees:**  
\* Priscilla Campbell Allen  
\* Philip Ashfield  
\* Peter Bowring, CBE  
Anthony Chambers  
\* Jo Connell  
\* Dudley Fisher, CBE, DL  
Vera Harley, MBE  
Anne Harris, CBE  
\* William Hastings, OBE  
Sir Peter Imbert, QPM  
Professor Kay-Tee Khaw  
Ian MacLeod  
Lady Macpherson  
John Mather  
Hugh Peppiatt  
Brian Roycroft, CBE  
Antony Sherwood, CMG  
Harold Sumption  
The Hon Mrs Michael Tollemache  
Sir Robert Wade-Gery, KCMG, KCVO  
\* Christopher Woodbridge

\* Executive Committee Members as  
30th April 1994

### The Year's Highlights

- |  |   |
|--|---|
| • 1.4 million free advice leaflets distributed | • £1 million growth in available reserves |
| • 70,000 enquiries answered                    | • Record Fundraising – up 5%              |
| • 25,000th Community Alarm presented           | • Direct marketing appeals top £5 million |
| • Helped older people in 54 countries          | • Shop sales rise by 34%                  |

## COMMITTEE MEMBERSHIP AS AT 30TH APRIL 1994

### U.K. Operations

- \* Anne Harris (Chairman)
- Christopher Flind (Chairman, Richmond, Twickenham and Roehampton District Health Authority)
- \* Vera Harley
- Paula Jones (Director, Age Concern, Greater London)
- \* Professor Kay-Tee Khaw
- \* Ian MacLeod
- \* Christopher Woodbridge (ex-officio)

### International Operations

- \* Dudley Fisher (Chairman)
- Michael Harris
- Dr Alex Kalache (London School of Hygiene and Tropical Medicine)
- Dr Murray McGavin (Institute of Ophthalmology)
- Derek Partridge
- \* Antony Sherwood
- Margaret Swinley
- Jim Thomson

### Housing and Care

- \* Christopher Woodbridge (Chairman)
- Frank Baker

- Joan Bartlett (Servite Housing)
- Daphne Clarke (Sutton Housing Trust)
- \* Vera Harley
- \* Anne Harris (ex-officio)
- Graham Thompson (Financial Adviser)

### Shops

- \* Philip Ashfield (Chairman)
- John Allan (Waitrose)
- \* Christopher Woodbridge

### Finance

- \* Priscilla Campbell Allen (Chairman)
- \* Dudley Fisher
- Brian Boreham (Wilson Wright & Co)
- Ian McNeill (Deutsche Bank)
- \* John Mather

### Marketing

- \* Jo Connell (Chairman)
- Peter Rigg
- David Simms
- \* Harold Sumption

\* Members of the Board of Trustees

## REPORT OF THE BOARD OF TRUSTEES

The Board has pleasure in submitting its seventeenth Annual Report and Financial Statements for the year ended 30th April 1994.

### TRUSTEES

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

Priscilla Campbell Allen	Ian MacLeod
Philip Ashfield	Lady Macpherson
+ # Frank Baker	John Mather
Peter Bowring	William Menzies-Wilson
Anthony Chambers	Hugh Peplatt
Jo Connell	Brian Roycroft
Dudley Fisher	Antony Sherwood
Vera Harley	Harold Sumption
Anne Harris	The Hon Mrs Michael Tollemache
William Hastings	Sir Robert Wade-Gery
Sir Peter Imbert	Christopher Woodbridge
Professor Kay-Tee Khaw	
+ # Roger Lees	

# Ceased to act as a Trustee during the year.

+ Voluntary and Christian Services Appointees.

In accordance with the Memorandum & Articles, Sir Peter Imbert, Professor Kay-Tee Khaw and John Mather who were appointed during the year retire and, being eligible, offer themselves for re-election.

As required by the Articles of Association, Jo Connell, Dudley Fisher, William Menzies-Wilson, Hugh Peplatt, Antony Sherwood and The Hon. Mrs Michael Tollemache retire by rotation and, being eligible, offer themselves for re-election.

In accordance with the Memorandum and Articles of Association, the Trustees of Voluntary and Christian Services have the right to appoint or dismiss up to three of the Trustees who are not subject to retirement by rotation.

Frank Baker was appointed a Vice President on 8th October 1993 in recognition of his efforts on behalf of the Charity.

### TRUSTEES' RESPONSIBILITIES

Help the Aged is constituted as a Company Limited by Guarantee and as such is subject to Company Law. Its Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit for that period. 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### OVERVIEW

Help the Aged is the largest charity providing for older people in the United Kingdom and internationally.

In the UK the Charity's programme continues to respond to the national community care strategy. A key area emerging is the provision of information for older people to empower and enable them to live active, successful, independent lives. Almost £1.2 million has therefore gone to our front line information services – leaflets and telephone advice – with both achieving greater contact levels. Supported by established activities with community alarms, transport, the Gifted Housing Plan and the various local schemes underpinned by project fundraising, the value of Help the Aged's UK operations and distributions stands at £20 million, all contributing to the philosophy of community care.

Much of the Charity's international work is solid and unsung. It is building the foundations with independent national agencies through HelpAge International to create indigenous bodies better equipped to solve their own problems. It is about training people in age care techniques, about supporting health and medical initiatives for older people. One of the year's more spectacular projects has been the counselling and visiting programme in former Yugoslavia, where older people make up a third of the refugees, and where our model has been followed by the UNHCR. Reaching 54 countries, Help the Aged's international expenditure stands at £7.3 million.

In 1992/93, the Charity financed an unprecedented level of distributions by releasing £1.5 million from its reserves. Last year this report commented that 'rebuilding the reserves will be a priority for the coming year'. This has been achieved.

Led by a further fundraising advance - up 5% on last year - total income reached a new record of £36.8 million. Supported by tight internal budgeting and a closely targeted approach to distributions, the Charity can report a surplus of £1.2 million and a growth in its Unrestricted Funds to £3.3 million. Modest for an organisation of its size, nevertheless these available funds enable Help the Aged to continue its growth with confidence.

Help the Aged's fundraising strength is its diversity. This year, shops and legacy income have performed strongly. Total shop sales grew by 34%, generating a net increase in income for the Charity of £1.2 million. Legacies, after a worrying few years, showed a welcome growth. Direct marketing operations passed the £5 million benchmark, and fundraising for local projects in the UK yielded an impressive £12.7 million. Important contributions to the total income were made across the spectrum of the Charity's fundraising operations. Their breadth explains how Help the Aged has quadrupled its headline income over the last ten years, producing a real growth over inflation of 150%.

Fundraising costs were held at just over 20% of total income, and, with Help the Aged's low administration costs, the Charity's declared cost ratio stands at 22%.

The needs remain enormous. A combination of rigorous budgeting and successful fundraising means that Help the Aged ended 1993/94 with a modest surplus, which sets the Charity in good stead to develop new strategies in the coming year.

## HELPING IN THE UK

Help the Aged has always been distinctive in its practical approach towards the issues facing older people, and its special role as a facilitator was particularly visible this year. Through its portfolio of projects, partnership was the dominant theme, with business, government, with other charities and the public, working together to raise the quality of life and relieve the hardship of older people.

## Grants and Special Programmes

A major milestone was reached when the home security campaign presented its 25,000th alarm. Since its inception, 27 million has been raised through community fundraising activities and with the generous support of a series of local and national companies.

Getting the right information quickly is often a critical need, whether it is about health, finance, or providing plain peace of mind. Help the Aged's free telephone help-lines and advice centre answered more than 70,000 enquiries during the year and distributed more than 1.4 million leaflets, prepared by the Charity's experts and covering subjects from Healthy Eating and Shingles to Better Hearing and Home Security.

Through the Transport Programme, 51 new custom-built minibuses were presented to local groups throughout the country, bringing the total to almost 1,000.

## Supporting Local Initiatives

Understanding the requirements of older people, recognising gaps at a local level and identifying projects to meet needs, continues to be a prime objective of the Charity. Experience and expertise developed over many years was applied in raising £12.7 million for some 150

projects, ranging from refurbishing a day centre to building a hospice.

## Housing and Care

The provision of care for older people (584 this year) in a range of settings from registered residential schemes to individuals living in their own homes through the Gifted Housing Plan continues to form an integral part of the Charity's work.

Many of these schemes are in converted mansions, some of which are listed buildings. A reserve of £400,000 was set aside to provide for planned maintenance.

## Campaigning

1993 was the European Year of Older People and Solidarity Between Generations. The Charity made important contributions to it, including the co-ordination of the British segment of a European design competition to find innovative ideas to improve the lives of older people. A major initiative was the 'Speaking Up for Our Age' project. Fifteen thousand questionnaires were sent to groups and individuals throughout the UK on subjects from housing to packaging. The campaign was shaped to ensure that the views of older people, rather than specialists, were clearly heard.

The Charity organised the launch of the Change for Age Campaign on UN International Day for the Elderly in October to obtain specific and swift changes in governments' policies towards the growing older population around the world. The campaign to obtain improved compensation for older people following the imposition of VAT on fuel partially succeeded with the extension of the Home Energy Efficiency Scheme (HEES) to all pensioners.

Total UK support amounted to £20 million.

## HELPING INTERNATIONALLY

Conflict in former Yugoslavia, an earthquake in India and wars in Africa were just three of the more publicised crisis where Help the Aged relieved suffering during the year. Older people rarely make the headlines, but acting as a full member of the Disasters Emergency Committee (DEC) - a group of seven UK-based international aid charities - the Charity was able to raise funds to support vital projects in Tanzania, Sudan and Eritrea. Separately the Charity launched a major appeal to help older people rebuild their lives in former Yugoslavia.

Working directly with and through its sister charity, HelpAge International, Help the Aged is today working in 54 countries, not just providing disaster relief but also giving advice, training and support so that older people can achieve a sustained quality of life. HelpAge International's programmes accordingly have become a model which other agencies seek to adopt.

In July 1993, the Charity was proud to receive a visit to projects in Zimbabwe from our Patron, HRH The Princess of Wales.

International distributions amounted to £7.3 million.

## FUNDRAISING

Today, charities are keenly competing both for funds and public profile: the two are closely interlinked. The diversity of Help the Aged's fundraising activities and projects was wider than ever and succeeded in increasing its fundraising income to a record £36.8 million, reflecting a close partnership with individual, community and corporate donors.

Thirty new Help the Aged shops were opened, bringing the total to 243, and despite the difficult economic climate, sales increased by one third and net income more than doubled. For the first time, the Charity's direct marketing programme exceeded £5 million.

A unique year-long partnership between Help the Aged and Barnardo's was launched with the theme 'Sharing the Caring' to reflect and celebrate the UN's International Year of the Family, backed by BT, Royal Mail and Madame Tussaud's. Help the Aged's share of the money will be used to fund day centres and to support families caring for older dependents. The two charities were selected

to be the main beneficiaries of the 1994 BT National Swimathon which aims to raise a total of £1.8 million.

It is encouraging that more and more young people are involved with the Charity. The role of schools was particularly impressive. Sponsorship by SmithKline Beecham enabled the Charity's organisers to talk to half a million children in 3,000 schools and to provide new education materials.

Eastern Electricity became the new sponsor for the enhanced Home Safety Campaign. This partnership marks a significant development as it involves individual staff members of Eastern Electricity. The sponsorship income enabled the Charity to reprint the three information leaflets attached to the campaign, as well as a new leaflet, 'Keep Out the Cold'.

County Committees are flourishing, with the 22nd Committee established this year. They are seen as a key strategy for strengthening the Charity's links with all regions of the UK.

The Charity has to be nimble and imaginative in the increasingly competitive world of fundraising. An impressive initiative with the Dollond & Aitchinson World in Sight Appeal collected 330,000 pairs of unwanted glasses at the optician's 450 branches.

## FINANCIAL

An outstanding success in the Charity Shops programme, where net income more than doubled to £2 million, coupled with a rebound in legacies, up from £5.1 million to £6.6 million, led the way to a new record total income of £36.8 million.

This served to offset a reduction in the proceeds from Field Fundraising, down £1.7 million, reflecting the impact of lower interest rates and higher taxes on the disposable income of our supporters.

Increased income, vigilant attention to costs and improved effectiveness in charitable operations, enabled Help the Aged to achieve a surplus of £1.2 million and start rebuilding reserves, which were seriously depleted during 1992 and 1993 by more than £2 million.

Unlike many other charities, Help the Aged does not hold substantial income generating investments. Therefore, the Charity is intent on continuing to protect its reserve position in order that distribution programmes can become less dependent on current income.

During the year, an important change was made to accounting policies. The Care Fund, an amount of £2.9 million set aside last year to recognise the Charity's obligation to Gifted Housing Plan participants, was more properly classified as a provision. An appropriate prior year adjustment has been made reducing Restricted Funds and increasing long-term liabilities.

In last year's report, Help the Aged welcomed the anticipated changes in accounting policies outlined in the draft revisions to SORP 2. Therefore it is somewhat disappointing that the final version remains unpublished. In the meantime, the Charity remains committed to improving its own reporting standards within existing regulations.

## Fixed Assets

Details relating to changes in Fixed Assets are given in Notes 14 and 15 of the Notes to the Financial Statements.

## Auditors

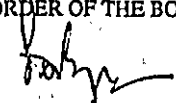
A resolution for the re-appointment of Hays Allan will be put to the Annual General Meeting.

## EMPLOYEES AND VOLUNTEERS

Help the Aged is an equal opportunities employer. All of its 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 democratically elected Joint Consultative Committee.

The Trustees once again wish to record their recognition of the professionalism and commitment of all our staff and volunteers. A key objective was to improve services despite pressure on fundraising and the need to commence rebuilding reserves. Our staff and volunteers responded to this challenge by making our limited funds go even further. Their dedication, enthusiasm and positive approach to opportunities give us every confidence in the future.

BY ORDER OF THE BOARD

  
STEPHEN BURGESS, SECRETARY  
21st July 1994

## FINANCIAL STATEMENTS - YEAR ENDED 30TH APRIL 1994 REPORT OF THE AUDITORS TO THE MEMBERS OF HELP THE AGED

We have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

### Respective responsibilities of trustees and auditors

As described on page 2 the company's trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and report our opinion to you.

### Basis of opinion

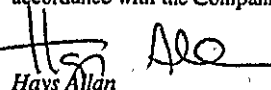
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the

information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, 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 company's affairs as at 30th April 1994 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Hays Allan  
Chartered Accountants  
High Holborn  
Registered Auditor

Date 21st July 1994

# INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30TH APRIL 1994

1993 £'000		Notes	£'000
As restated	Income		
34,954	Fundraising Appeals	2	36,549
370	Dividends and Interest	3	251
35,324			36,800
25,073	Distributions	4	23,126
2,899	Direct Charitable Operations	5	3,089
1,115	Research and Development	7	1,238
29,087	Total Aid		27,453
6,237			9,347
	Expenditure		
7,212	Fundraising Administration	8	7,582
571			575
7,783			8,157
(1,546)	Operating (Deficit)/Surplus		1,190

All recognised gains and losses are included in the income and expenditure account.

All transactions are derived from continuing activities

## STATEMENT OF MOVEMENT OF FUNDS FOR THE YEAR ENDED 30TH APRIL 1994

	Fixed Asset Fund £'000	Restricted Funds £'000	Unrestricted Funds £'000	Total £'000
At 1st May 1993 as originally stated	13,451	6,268	2,406	22,125
Prior year Adjustment (see note 21)	—	(2,868)	—	(2,868)
As 1st May 1993 as restated	13,451	3,400	2,406	19,257
Operating Surplus for year	—	132	1,058	1,190
Transfer to Fixed Asset Fund due to increase in Net Book Value (see note 11)	147	—	(147)	—
At 30th April 1994	13,598	3,532	3,317	20,447

# BALANCE SHEET AS AT 30TH APRIL 1994

**1993**  
**£'000**  
As restated

**Notes**

**£'000**

**£'000**

## Fixed Assets

24,364  
78

Tangible Assets  
Investments

14  
15

24,925  
93

24,442

25,018

## Current Assets

694

Property for Realisation  
Debtors: Amount falling due  
within one year  
Debtors: Amount falling due  
after more than one year

16  
17  
17  
18

422  
1,174  
2,880  
2

1,117

44

Investments  
Cash at Bank, Building  
Societies and in Hand

4,198

3,593

6,053

8,071

2,210

Creditors: Amounts falling due  
within one year

19

1,959

3,843

Net Current Assets

6,112

28,285

Total Assets less Current Liabilities

31,130

6,124

Creditors: Amounts falling due  
after more than one year

20

6,879

2,904

Provisions for Liabilities and Charges

21

3,804

9,028

10,683

19,257

Net Assets

20,447

## Represented by:-

13,451

Fixed Assets Fund

11

13,598

3,400

Restricted Funds

13

3,532

2,406

Unrestricted Funds

3,317

19,257

20,447

*W. Menzies-Wilson*

W. Menzies-Wilson  
Trustee

*P. Campbell Allen*

P. Campbell Allen  
Trustee

The Financial Statements were approved by the Board of Trustees on 21st July 1994

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30TH APRIL 1994**

1993  
£'000

£'000

£'000

Notes

(699)	Net Outflow from Operating Activities	22	(87)
	Returns on Investment and Servicing of Finance		
425	Dividends and Interest Received	244	
(63)	Interest Paid	(54)	
(24)	Interest element of Finance Lease		
	Rental Payments	(31)	
338	Net Cash Inflow from Returns on Investments and Servicing of Finance		159
(361)			728
	Investing Activities		
(2,047)	Purchase of Tangible Fixed Assets	(1445)	
776	Sale of Tangible Fixed Assets	473	
-	Purchase of Share Capital in associated undertaking	(15)	
(1,271)	Net Cash Outflow from Investing Activities		(987)
(1,632)	Net Cash Outflow before Financing		(915)
	Financing		
417	Net Returnable Deposits Received	804	
(30)	Repayments of Amounts Borrowed	(31)	
(48)	Capital element of Finance Lease		
	Rental Payments	(100)	
339	Net Cash Inflow from Financing		673
(1,293)	Decrease in Cash and Cash Equivalents	23	(242)



## NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Basis of Accounting

The financial statements are prepared on the historical cost basis and are in accordance with applicable accounting standards except where stated below. The recommendations of SORP 2 (Accounting by Charities) as issued by the Accounting Standards Committee have been followed in the preparation of these financial statements.

#### Gifted Housing Scheme

Gifted houses are accounted for as income when donated at sitting tenant valuation or market valuation when the charity receives a vacant property. The valuations are carried out by a qualified surveyor. When an individual donates his house to the Charity, the Charity is committed to caring for that individual.

An actuarial valuation of the total cost of care for individuals who have gifted their house is made and the sum is included within provisions for liabilities and charges (Note 21 - Care Fund).

#### Fixed Asset Fund

The Fixed Asset Fund represents the book value of the headquarters building plus Housing and Care Property, net of returnable deposits, but excluding gifted houses. This fund is not available for distribution until these assets are realised (Note 11).

#### Income

Donated income is the amount received during the year. Income Tax recoverable on covenants, donations under gift aid and other income is the amount receivable for the year. Restricted income represents sums earmarked by the donor for a specific purpose or where the donor has specified how the donation should be used.

#### Expenditure

Expenditure shown in the financial statements includes accruals for goods and services rendered up to and including 30th April 1994.

#### Administration Expenses

Administration expenses comprise the central costs of running the charity which are not appropriate for allocation to the charity's projects, fundraising or development categories.

#### Fundraising Expenses

Fundraising expenses comprise the costs incurred in appealing to people or organisations to contribute to the charity's work and includes an allocation of central overheads properly apportionable thereto.

#### Research and Development

Expenditure on research and development is written off when incurred.

#### Depreciation

At the beginning of the year the rate of depreciation for motor vehicles and fixtures and fittings (excluding gift shops) was changed from a reducing balance method to a straight line method. This change increased the depreciation charge in the year by £420,000. 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. straight line method
Fixtures and Fittings:	
Gift Shops	- 20% p.a. straight line method
Other	- 20% p.a. straight line method
Equipment	- 25% p.a. reducing balance method
Leased Equipment	- Over the term of the lease
Computer Equipment	- 25% p.a. straight line method
Short Term Leaseholds:	
Gift Shop Leases	- Over the term of the lease
Other	- Over the term of the lease

No provision for depreciation has been made in respect of the Headquarters and International Centre or the housing properties as they are maintained in a continual state of repair and their lives and residual values are such that depreciation is not material. This is not in accordance with SSAP 12.

#### Maintenance Provision

The cyclical repair and maintenance cost for the charity's portfolio of properties is assessed by the charity's surveyor and an amount charged annually to the income and expenditure account in order to spread the cost evenly over each accounting period.

#### Leased Assets

Assets used by the charity which have been funded through finance leases are capitalised and the resulting future lease obligations are included in creditors. All other leases are operating leases and the rental expenses are charged against income as incurred.

#### Pensions

The charity contributes to defined benefit schemes open to all employees over the age of 21. The pension schemes are administered by trustees and are separate from the charity. Independent actuaries complete valuations at frequent intervals, usually triennially. The expected cost of pensions is charged to the income and expenditure account over the expected service lives of the employees in the schemes.

#### Subsidiary Undertakings

Consolidated financial statements have not been prepared as the financial statements of the charity's subsidiary undertakings are immaterial to those of the charity. Taxable profits are covenanted from the trading companies to the charity.



1993  
£'000

£'000

## 2. Fundraising Appeals

346	Gifted Housing including loss on realisation of £113,965 (1993 surplus £52,544)	542
1,226	Gifts in Kind (spectacles, clothing etc.) at valuation	1,830
1,188	Covenants	1,306
330	Gift Aid	292
5,129	Legacies	6,596
Co-Funding from Government and Other Agencies:-		
448	Overseas Development Administration	304
619	Commission of the European Communities	426
152	Other Agencies	254
1,219		984
6,414 (5,639) 775	Gift Shops - Income - Expenditure*	8,620 (6,671) 1,949
24,741	Field Fundraising and Direct Marketing Proceeds	23,050
34,954		36,549
of which:-		
18,798	Restricted Income	21,321
16,156	General Income	15,228
34,954		36,549

\* Expenditure is made up of direct costs of developing and operating the chain of gift shops.

## 3. Dividends and Interest

359	Short Term Deposits	237
1	Quoted Securities	1
10	Other	13
370		251

1993  
£'000

£'000

## 4. Distributions

### United Kingdom:

4,195	Day Centres	2,113
7,497	Health and Medical	8,806
2,030	Mini Buses	1,561
411	Housing Grants	155
1,424	Community Alarms	1,011
680	Project Supervision	664
19	Heating Grants	4
49	Gifts in Kind	29
1,241	Other Projects	1,492
17,546		15,835

### International Aid Programmes:

1,219	Refugees and Disasters	562
1,255	Health and Medical	963
1,655	Age Care Development	1,726
1,177	Gifts in Kind	1,801
680	Project Supervision	637
	Development, Training and Support for HelpAge International	570
570	Adopt a Granny	985
896	Urban Destitution	38
64	Other Projects	9
11		
7,527		7,291
25,073		23,126

## 5. Direct Charitable Operations

### Housing & Care Operations:

3,099 (1,716)	Expenditure Income	3,639 (1,894)
1,383		1,745
173 (18)	Education: Expenditure Income	180 (13)
155		167
1,361	Information & Advice Services	1,177
2,899		3,089

1993  
£'000

£'000

## 6. Staff Numbers and Costs

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

Full Time	Part Time		Full Time	Part Time
198	76	Fundraising	195	65
59	232	Gift Shops	56	300
164	161	Charitable Operations	150	170
53	-	Management and Central Services	48	-
<u>474</u>	<u>469</u>		<u>449</u>	<u>535</u>

The aggregate payroll costs of these persons were as follows:-

£'000		£'000
9,122	Salaries	9,342
792	Social Security Costs	803
317	Pension Scheme Contributions	337
<u>10,231</u>		<u>10,482</u>

## 7. Research and Development

376	Research Expenditure	294
739	Development Expenditure	944
<u>1,115</u>		<u>1,238</u>

## 8. Fundraising Expenditure

<u>7,212</u>	Appeals - Staff and Operation Costs	<u>7,582</u>
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1993  
£'000

£'000

## 9. Expenditure

The following costs have been charged to the Income and Expenditure Account:-

5	Depreciation of assets held under finance leases	237
987	Depreciation of other assets	1,139
20	Loss on disposal of fixed assets	157
<u>1,012</u>		<u>1,533</u>
345	Irrecoverable VAT	380
85	Capitalised VAT	38
<u>260</u>		<u>342</u>
-	Exceptional item - increase in maintenance provision	414
29	Auditors Remuneration	
11	Audit	29
	Other	15
-	Interest Payable:-	
63	Bank Overdraft	2
63	Bank Loans repayable after more than five years	52
		<u>54</u>
24	Finance Charges payable on finance leases	31
<u>2,290</u>	Operating Lease Rentals	<u>2,587</u>

## 10. Pension Costs

The charity contributes to defined benefit pension schemes whereby retirement benefits are based on employees' final remuneration and length of service. The pension cost is assessed in accordance with the advice of an independent qualified actuary using the projected unit method on the basis of frequent, usually triennial, valuations and charged to the Income and Expenditure Account so as to spread the cost over the schemes' members' service lives.

The pension cost to the charity was £337,094 (1993 £316,700).

The latest completed actuarial valuation was carried out at 30th September, 1991 using the following principal assumptions:-

Average rate of return on investments - 10% p.a.  
Average rate of salary increases - 8% p.a.

The valuation showed the market value of the schemes' assets to be £1,388,453 and the actuarial value represented 110% of the benefits that had accrued to members. The surplus of £136,000 combined with an increase in employer's contribution rate from 9.5% to 12.7% p.a. has enabled us to provide for the introduction of flexible retirement between the ages of 60 and 65 for both men and women, and in addition members' life cover has been raised. The employees contribution rate remains at 6% p.a.

## 11. Fixed Assets Fund

	Housing Permanent Endowment £'000	Other £'000	Head- quarters	Total £'000
Balance at 1st May 1993	517	11,032	1,902	13,451
Amount transferred from Unrestricted funds	-	147	-	147
Balance at 30th April 1994	517	11,179	1,902	13,598

The Fixed Assets Fund is calculated as follows:-

Total Valuation - Net Book Value (Note 14)	517	20,495	1,902	22,914
Less:				
Returnable Deposits	-	6,195	-	6,195
Gifted Housing	-	3,121	-	3,121
- Net Book Value	-	9,316	-	9,316
	517	11,179	1,902	13,598

## 12. Share Capital

The company is limited by guarantee and has no share capital. The liability of the members is limited to the sum of £1 per member.

## 13. Restricted Funds

1993			United Kingdom national	
United Kingdom national	Inter-		£'000	£'000
139	-	Day Centres	168	-
57	282	Health and Medical	25	100
164	-	Mini Buses	423	-
-	313	Refugees and Disasters	-	316
3	-	Housing Grants	1	-
486	-	Housing and Care Projects	421	-
219	-	Community Alarms	183	-
-	326	Age Care Development	-	209
-	474	Adopt a Granny	-	347
-	3	Urban Destitution	-	-
18	-	Heating Grants	208	-
853	3	Other Projects	1,094	37
10	-	British Refugee Council	-	-
50	-	Research Grants	-	-
1,999	1,401		2,523	1,009
3,400	Total		3,532	

## 14. Fixed Assets – Tangible

	Freehold Headquarters and International Centre £'000	Short-Term Leaseholds, mainly Gift Shops £'000	Motor Vehicles £'000	Equipment, Fixtures and Fittings £'000	Computer Equipment £'000	Sub Total £'000	Housing & Care Freehold and Long Leasehold Housing £'000	Total £'000
<b>Cost or Donated Value:</b>								
At 1st May 1993	1,902	2,436	1,647	821	921	7,727	19,773	27,500
Additions	–	326	456	20	55	857	1,438	2,295
(Disposals)	–	(62)	(344)	–	–	(406)	–	(406)
Transfer to Properties held for sale	–	–	–	–	–	–	(199)	(199)
At 30th April 1994	1,902	2,700	1,759	841	976	8,178	21,012	29,190
<b>Depreciation:</b>								
At 1st May 1993	–	1,299	779	501	557	3,136	–	3,136
(Disposals)	–	(40)	(207)	–	–	(247)	–	(247)
Charged for year	–	352	509	249	266	1,376	–	1,376
At 30th April 1994	–	1,611	1,081	750	823	4,265	–	4,265
<b>Net Book Value:</b>								
At 30th April 1994	1,902	1,089	678	91	153	3,913	21,012	24,925
At 30th April 1993	1,902	1,137	868	320	364	4,591	19,773	24,364

A professional valuation in June 1991 indicated the open market value of the Headquarters and International Centre to be in the region of £2.75 million.

The total donated value of housing properties at 30th April, 1994 was £5,975,146 (30th April 1993 £5,783,183).

A professional valuation of the housing properties has not been obtained at the balance sheet date as it is considered that the expense would not be justifiable in view of the specialised and continuing nature of the scheme.

Housing comprises:-

	Freeholds £'000	Long Leaseholds £'000	Total £'000
Net Book Value at 30th April 1994	18,766	2,246	21,012
Net Book Value at 30th April 1993	17,327	2,446	19,773

The net book value of assets held under finance leases:

	1994 £'000	1993 £'000
Motor Vehicles	247	105
Equipment, Fixtures and Fittings	–	4
Computer Equipment	50	231
	297	340

1993  
£'000

£'000

### 15. Fixed Assets – Investments

At Cost or Donated Value

	Shares in Subsidiary Undertaking £'000	Shares in Associated Undertaking £'000	Other Investment £'000	Total £'000
At 1st May 1993	77	–	1	78
Acquisition in year	–	15	–	15
At 30th April 1994	<u>77</u>	<u>15</u>	<u>1</u>	<u>93</u>

Details of subsidiary undertakings are given in note 26.

During the year Help the Aged acquired 15,000 £1 ordinary shares in Fold Help Limited which represents 50% of the company's issued share capital. Fold Help Limited is a company incorporated in Northern Ireland. The company is in its first period of trading and to date no accounts have been prepared. In the opinion of the trustees the exclusion of the results of Fold Help Limited does not have a material impact on the charity's financial statements.

### 16. Property for Realisation

Gifted Housing including  
development costs

694

422

### 17. Debtors: Amounts falling due within one year

384	Tax Repayments	181
53	Subsidiary Undertakings	68
184	Other Debtors	258
496	Prepayments and Accrued Income	667
<u>1,117</u>		<u>1,174</u>

Debtors: Amounts falling due  
after more than one year

Prepayments and Accrued Income 2,880

1993  
£'000

£'000

### 18. Investments

(Listed on the Stock Exchange)

44

At Market Value

2

### 19. Creditors: Amounts falling due within one year

363	Bank Overdraft (Secured on properties for development)	–
29	Bank Mortgage (Secured – see Note 20)	29
93	Deposits from Housing Residents repayable on change of occupancy	133
35	Interest-free Loans	34
28	Subsidiary undertaking	86
713	Other Creditors	464
106	Obligations under Finance Leases	148
605	Accrued Expenses and Deferred Income	811
238	Other Taxes and Social Security	254
<u>2,210</u>		<u>1,959</u>

1993  
£'000

£'000

## 20. Creditors: Amounts falling due after more than one year

5,298 Deposits from Housing Residents repayable on change of occupancy 6,062

235 Obligations under Finance Leases 256

Bank Mortgage: (Secured by a fixed charge on the Headquarters and International Centre) repayable in equal quarterly instalments. The last repayment is due to be made in 2014, the rate of interest being 1.25% above London Inter Bank Market Rate.

620

590

Less: Capital repayment due within one year (Note 19)

(29)

(29)

591

561

6,124

6,879

The bank mortgage due after more than one year is repayable as follows:

29 Between one and two years 29  
87 Between two and five years 87  
475 Over five years 445

591

561

The finance lease obligations due after more than one year are repayable as follows:

106 Between one and two years 149  
129 Between two and five years 107  
- Over five years -

235

256

## 21. Provision for Liabilities and Charges

	Maintenance £'000	Care Fund £'000	Total £'000
At 1st May 1993 as previously reported	36	-	36
Prior year adjustment (see below)	-	2,868	2,868
At 1st May 1993 as restated	36	2,868	2,904
Increase in provisions charged to Income & Expenditure account in year	414	436	900
At 30th April 1994	450	3,354	3,804

Previously the charity treated the Care Fund as a restricted fund. The trustees have decided that as there is no restriction on the donation of the property the cost of caring for the individual is more properly classified as a provision. Comparatives have been restated.

1993  
£'000

£'000

## 22. Net Cash Outflow from Operating Activities

Reconciliation of net operating (deficit)/surplus with net cash outflow from operating activities:-

(1,546) Operating (Deficit)/Surplus 1,190  
Adjustment for non-operating activities

(370) Dividends and Interest Receivable (251)  
63 Interest Payable 54

(307) Adjustment for non-cash items (197)

992 Depreciation charge 1,376  
(32) (Net Profit) Loss on Sale of 157  
(303) Fixed Assets (656)  
275 Donated Property 900  
Provisions made

932 Adjustment for movement in Working Capital 1,777

276 Decrease/(Increase) in Debtors (2,888)  
(54) (Decrease)/Increase in Creditors 31

222 (2,857)

(699) (87)

## 23. Analysis of Cash as shown in Balance Sheet

	Cash at Bank and in Hand £'000	Bank Overdraft £'000	Total £'000
Balance at 1st May 1993	4,198	(363)	3,835
Change in year	(605)	363	(242)
Balance at 30th April 1994	<u>3,593</u>	<u>-</u>	<u>3,593</u>

## 24. Capital Commitments

The following capital expenditure has been approved by the Trustees but not provided for in these financial statements:-

1993 £'000		£'000
	Contracts placed -	
327	Housing and Care	189
19	Gift Shops	-
<u>346</u>		<u>189</u>

Capital Commitments in respect of Housing will be met from returnable deposits and the sale of Gifted Properties.

## 25. Financial Commitments

Operating lease commitments payable in the following year are analysed according to the period in which the lease expires as follows:-

	Land and Buildings £'000	Other £'000
Expiring:-		
Within one year	44	-
One to five years	264	51
After five years	<u>2,768</u>	<u>-</u>
	<u>3,076</u>	<u>51</u>

The majority of leases of land and buildings, mainly gift shops, are subject to rent reviews.

## 26. Group Undertakings

All subsidiary undertakings are wholly owned and incorporated in England.

The principal subsidiary undertakings are as follows:

	Share Capital £'000	Reserves £'000
Help the Aged (Mail Order) Limited	<u>67</u>	<u>(3)</u>

The principal activity of Help the Aged (Mail Order) Limited is the sale of Christmas cards and other merchandise by mail order catalogue. The profits of the company are covenanted to the charity. For the year ended 30th April, 1994, the turnover of the company amounted to £2,671,895 (1993 £2,363,443) and the covenant to the charity was £178,932 (1993 £242,280). The value of the shareholding in Help the Aged (Mail Order) Limited is considered to be not less than £67,100, the amount at which it is included in the charity's investments.

Help the Aged (Trading) Limited	<u>10</u>	<u>-</u>
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The principal activity of Help the Aged (Trading) Limited is fundraising via commercial events and sponsorship together with the sale of sports merchandise. The profits of the company are covenanted to the charity. For the year ended 30th April 1994, the turnover of the company amounted to £813,854 (1993 £432,242) and the covenant to the charity was £15,369 (1993 £6,170). The value of the shareholding in Help the Aged (Trading) Limited is considered to be not less than £10,000, the amount at which it is included in the charity's investments.