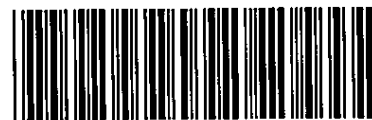


ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006

THURSDAY



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25/10/2007
COMPANIES HOUSE

Company number 2082270
Charity number 296103

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

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**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

INFORMATION SHEET

FOR THE YEAR ENDED 31 DECEMBER 2006

CHAIRMAN	Tony Heywood Hamilton Anstead (resigned 12 December 2006)
CHIEF EXECUTIVE / COMPANY SECRETARY	Martin Green
DIRECTORS	Information on page 4
TREASURER	Ted Smith
REGISTERED AND ADMINISTRATIVE OFFICE	4 TH Floor 145 Cannon Street London EC4N 5BQ
AUDITORS	Kingswood 3 Coldbath Square London EC1R 5HL
SOLICITORS	DLA Piper UK LLP 3 Noble Street London EC2V 7EE
BANKERS	National Westminster Bank Plc PO Box 158 214 High Holborn London WC1V 7BX
REGISTRATION NUMBERS	Company number 2082270 Charity number 296103

ENGLISH COMMUNITY CARE ASSOCIATION (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2006

The Trustees, who are members of the charity and directors for the purpose of company law, present their statutory report together with the accounts of English Community Care Association (ECCA) for the year ended 31 December 2006. This report has been prepared in accordance with Part VI of the Charities Act 1993, and also contains the information required in a directors' report by Schedule 7 of the Companies Act.

Principal Activities

English Community Care Association (ECCA) is a registered charity (number 296103), incorporated under the Companies Act, being a company limited by guarantee not having share capital.

ECCA's mission is to ensure that social and health care in the independent sector can be promoted and protected. The Association represents the interests of a substantial percentage of the operators of care homes in England providing health and social care services to older and vulnerable people. It aims to be the leading national voice in positioning the care home sector at the centre of the national policy and improvement agenda for health and social care.

Business Review

Objectives & Activities

It is ECCA's intention to pursue its primary purpose of supporting the residential care sector and to see that it is properly funded and intelligently regulated. The work streams that ECCA is engaged in are designed to deliver this overall objective.

ECCA has a significant work programme which is outlined within its Business Plan and designed to ensure that the overall objectives are achieved in an effective and sustainable way and that administrative processes use resources in the most effective way possible to deliver the objectives.

As a membership organisation we recognise that the retention and expansion of membership is a primary focus and ECCA has developed a range of membership benefits which are designed to be attractive to the sector and stimulate recruitment. ECCA is striving to operate a balanced budget both through increasing membership and developing revenue generating activities. This will enhance the long-term financial stability of the organisation.

Actual Performance

The year under review has been extremely successful for ECCA on both an internal and external level. Externally the organisation is well positioned with its major stakeholders who include the Government, Opposition Parties, the Regulator and our own membership. Evidence of this is manifest in the fact that the Chief Executive has been made a member of the Secretary of State for Health's Stakeholder Board, a member of the Ministerial End of Life Care Strategy Board and also of the Ministerial Workforce Development Board.

ECCA has advised the Opposition on the development of its social care policy and has responded to a range of consultations and policy developments that affect the sector and as an organisation has had a positive impact in a range of areas that are beneficial to the sector and ECCA members.

The financial statements for the year ended 31 December 2006 ended with a deficit of £24,400. This is a vast improvement from the deficit of £107,461 for the year ended 31 December 2005 and is a significant step towards achieving a balanced budget.

The reason for the improvement in the financial position reflects a focus on increasing income and controlling expenditure. It is only by paying rigorous attention to both these areas that enormous improvements have been achieved in income and expenditure patterns and brought the budget much closer to balance.

ENGLISH COMMUNITY CARE ASSOCIATION (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2006

Plans for future

ECCA has a long-term strategy which will see it moving from a position of total reliance on membership income to a more balanced and diversified income stream which should deliver a much more stable financial position in the future and also build towards a more comfortable reserves position

Part of this approach will be to continue engaging in a membership campaign which will hopefully see significant increases in membership subscription income. Alongside this is the development of a range of income generating activities which mainly rely on top slicing commissions from service providers to the sector. This approach should both increase income and balance risk.

Proposed measure of success

The measurement of success will be an increase in membership bed numbers and also an increase in income with more stability in the budget. It is hoped that next year some of the new initiatives will come on stream, and help to balance the budget or hopefully deliver some surpluses which can go towards reserves.

Reserves Policy

It is the policy of the Association to hold reserves in its unrestricted fund, which have not been committed or designated for any particular purpose. The trustees have set aside these reserves in order to protect the future of the Association from any unforeseen variations in its future income streams as part of good financial management practice.

The minimum reserve required is three months the average monthly expenses over the last 2 years. For 2006, this amounted to £120,000. At 31 December 2006 the amount of these reserves in the unrestricted fund amounted to £214,415 (2005 £238,815). The directors have a long term objective to raise the reserve level to six months of operating cost.

Risk Management

ECCA's risk management procedure involves the Executives of ECCA carrying out a detailed review of the charity's activities and producing a strategic plan setting out the major opportunities and threats to the charity. These strategic aims are converted annually into a business plan and this in turn is agreed by the Board. The Chief Executive and his Executive team convert the business plan into implementation targets and priorities. At all stages the risks and benefits of actions to be taken are assessed by the Executive Team and/or the Board, as appropriate before implementation. As part of this ongoing process, the executives will implement a fully integrated risk management strategy that comprises

- An annual review of the risks that the charity may face, through the approval of the business plan
- The establishment of systems and procedures to mitigate those risks identified in the plan, and
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise

ENGLISH COMMUNITY CARE ASSOCIATION (LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2006

Board of Trustees

As defined in its Memorandum and Articles of Association the charity is governed by a Board of Trustees supported by the Chief Executive and Executive team

Ordinary members of ECCA with over 3,000 beds may appoint a director to the Board. Not more than ten directors may be appointed in this way. Those ordinary members not entitled to appoint a director in this way may elect directors. Not more than six directors may be elected in this way. Co-option of people with particular skills or network that can help the Association pursue its primary goals is occasionally agreed. Trustees are inducted into the organisation and are given clear written information about their roles and responsibilities.

The directors in office during the year ended 31 December 2006 are detailed below. All of the directors listed served throughout the whole year, unless otherwise stated.

HD	Anstead	(resigned 12 December 2006)
J	Ashcroft	
SW	Beckett	
J	Coleby	(co-opted 10 October 2006)
BW	Colvin	(resigned 14 August 2006)
C	Cormack	
A	Cowley	
RJ	Davies	
HM	Hedderly	(resigned 03 September 2006)
T	Heywood	
BT	House	
RJ	Jones	(resigned 30 September 2006)
A	Leong-son	
MP	Leyland	
MA	Padgham	
DJ	Quinn	
PH	Scott	(resigned 14 August 2006)
L	Smith	
MJ	Smith	(resigned 11 December 2006)
AE	Smith	
B	Sweetbaum	(resigned 14 August 2006)
C	Vellenoweth	(co-opted 07 July 2006)
P	Ware	
JW	Welfare	

Director's responsibilities for the financial statements

Company law 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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently
- Make judgement and 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

Tax status

The Association is a registered charity, number 296103 and thus is not liable to corporation tax.

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2006

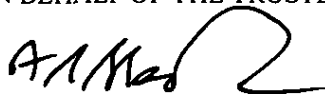
Auditors

In 2007 the board of directors approved the tendering of the charity's audit work. The Association undertook three months to complete the tendering process and a new auditor Kingwood was duly appointed on 25th July 2007 in accordance with section 385 of the Companies Act 1985 to undertake the audit of the financial statements for the year ended 31 December 2006. The appointment of the new auditor was made following consultation with the charity's Treasurer.

Small company exemption

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE TRUSTEES



Tony Heywood
Chairman

Date 9/10/2007

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

REPORT OF THE INDEPENDENT AUDITORS

**TO THE MEMBERS OF ENGLISH COMMUNITY CARE ASSOCIATION (LIMITED BY
GUARANTEE)**

We have audited the financial statements of English Community Care Association (Limited by Guarantee) for the year ended 31 December 2006 set out on pages 8 to 15. These financial statements have been prepared in accordance with the accounting policies set out on page 10.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report 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 the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors in the 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 misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

REPORT OF THE INDEPENDENT AUDITORS

**TO THE MEMBERS OF ENGLISH COMMUNITY CARE ASSOCIATION (LIMITED BY
GUARANTEE)**

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charitable company's affairs as at 31 December 2006 and of its incoming resources and application of resources including its income and expenditure for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees report is consistent with the financial statements


Kingswood

Chartered Accountants
Registered Auditors

19 October 2007

3 Coldbath Square
London
EC1R 5HL

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 £ Unrestricted funds	2006 £ Unrestricted funds	2005 £ Unrestricted funds	2005 £ Unrestricted funds
Incoming resources from activities in furtherance of charity's objectives	2		430,328		337,586
Incoming resources from generated funds					
Voluntary Income		-		138,889	
Investment Income		14,322		12,418	
Other Fundraising activities		14,313	28,635	4,311	155,618
Total Incoming resources			458,963		493,204
Cost of activities in furtherance of charity's objectives	3	(457,956)		(588,569)	
Cost of activities in generated funds		(17,407)		-	
Governance Cost	3	(8,000)		(12,096)	
Total resources expended			(483,363)		(600,665)
Net outgoing resources and movement in funds			(24,400)		(107,461)
Fund balances as at 1 January			238,815		346,276
Fund balances as at 31 December			214,415		238,815

All movements in incoming resources and resources expended during the year are unrestricted. There were no recognised gains or losses other than the surplus for the financial year.

The accompanying accounting policies and notes form an integral part of these financial statements.

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

BALANCE SHEET

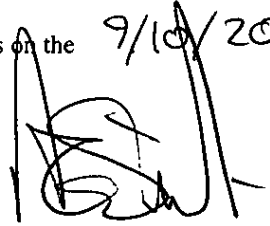
AS AT 31 DECEMBER 2006

	Notes	2006 £	2006 £	2005 £	2005 £
Fixed Assets					
Tangible Assets	7	13,119		20,248	
Investment	8	<u>10</u>	13,129	<u>10</u>	20,258
Current Assets					
Debtors	9	314,647		102,511	
Cash at bank and in hand		<u>215,474</u>		<u>167,123</u>	
		530,121		269,634	
Creditors: Amount falling due within one year	10	<u>(328,835)</u>		<u>(51,077)</u>	
Net current assets			<u>201,286</u>		<u>218,557</u>
Total assets less current liabilities			<u>214,415</u>		<u>238,815</u>
Funds					
Unrestricted	12		<u>214,415</u>		<u>238,815</u>

These financial statements have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies and with the financial reporting standard for smaller entities (effective January 2005)

The financial statements were approved by the Board of Directors on the
and signed on its behalf by


Jane Ashcroft
Trustee


Ted Smith
Trustee

The accompanying accounting policies and notes form an integral part of these financial statements

ENGLISH COMMUNITY CARE ASSOCIATION (LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

1 ACCOUNTING POLICIES

1.1 Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1985 Applicable Accounting Standards and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (revised 2005) have been followed in these accounts

1.2 Incoming and expended resources

Incoming resources are recognised where there is entitlement and certainty of receipt Expenses are recognised on an accruals basis as a liability is incurred

Income and expenses are charged directly to its cause if it is directly and wholly identifiable to the activity, otherwise general overheads are allocated across the headings based on the Association's time spent on each activity and using the following basis of apportionment,

Cost of generating funds	5%
Cost of activities in furtherance of charity's objectives	95% (note below)

Resources expended in furtherance of the Association's objectives are further analysed into the following activities These activities are closely interlinked therefore only a best estimate of the time the Association puts into these activities are used for allocating the resources expended

Direct support to members	60%
Conference /Events	5%
Lobbying/Campaigning & Media Representation	35%

The Association provides a range of support to its members including policy analysis and dissemination of information, access to executives' advice and provision of legal/human resources helplines

1.3 Tangible fixed assets and depreciation

Provision is made for depreciation on all tangible assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows

Fixtures and Fittings	5 years
Computer equipment	3 years
Motor Vehicles	5 years

1.4 Investment

The investment is included at cost less amounts written off

1.5 Contribution to pension funds

The scheme is a defined contribution scheme and as such the pension costs charged against income represent the amount of the contributions payable to the scheme in respect of the accounting period

1.6 Leased asset

All leases are operating leases and rentals are charged to the Statement of Financial Activities over the period in which the cost is incurred

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

2. INCOME

Incoming resources from activities in furtherance of charity's objectives includes the following

	<u>2006</u>	<u>2005</u>
	£	£
Subscriptions	426,887	324,727
Other activities	3,441	12,859
	<u>430,328</u>	<u>337,586</u>

Incoming resources from activities in furtherance of charity's objectives are further allocated to the different activities of the Association,

	<u>2006</u>	<u>2005</u>
	£	£
Direct Support to Members	257,191	168,793
Conference / Events	23,108	16,879
Campaigning/Lobbying /Media representation	150,029	151,914
	<u>430,328</u>	<u>337,586</u>

3. RESOURCES EXPENDED

Analysis of cost of activities in furtherance of charity's objective

	<u>Staff Cost</u>	<u>Depreciation</u>	<u>Other</u>	<u>Total</u>	<u>Total</u>
	£	£	Cost	<u>2006</u>	<u>2005</u>
			£	£	£
Activities in furtherance of objectives					
Direct Support to Members	175,217	5,175	94,382	274,774	294,284
Conference/events	14,601	431	7,865	22,897	29,428
Campaigning/Lobbying/ Media Representation	102,210	3,019	55,056	160,285	264,857
Total Charitable Activities	<u>292,028</u>	<u>8,625</u>	<u>157,303</u>	<u>457,956</u>	<u>588,569</u>

Included in governance cost are

	<u>2006</u>	<u>2005</u>
	£	£
Auditors remuneration	<u>8,000</u>	<u>12,096</u>

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

4. EMPLOYEES

Staff cost during the year were as follows

	<u>2006</u>	<u>2005</u>
	£	£
Wage and salaries	261,157	276,866
Social Security Costs	30,195	31,156
Pension costs	4,456	7,342
	<u>295,808</u>	<u>315,364</u>

The number of employees at the end of the year was as follows

	<u>2006</u>	<u>2005</u>
	Number	Number
Office and management	7	7

No emoluments are paid to the directors (2005 none)

Number of employees receiving emoluments in excess of £50,000

	<u>2006</u>	<u>2005</u>
	Number	Number
£50,000 to £59,999	1	1
£60,000 to £69,999	-	-
£70,000 to £79,999	-	-
£80,000 to £89,999	1	1
£90,000 to £99,999	-	-
£100,000 and above	-	-

5. NET INCOMING RESOURCES

Net incoming resources are stated after charging

	<u>2006</u>	<u>2005</u>
	£	£
Auditors' remuneration	8,000	12,096
Depreciation	8,625	18,656
Operating leases - property	61,808	61,808

6 TAXATION

The Association is a registered charity (number 296103) and is therefore not liable to corporation tax

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

7 TANGIBLE FIXED ASSETS

	Leasehold	Motor Vehicles	Fixtures and fittings	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2006	73,292	19,432	96,664	119,627	309,015
Additions	-	-	-	1,496	1,496
Disposals	-	-	-	-	-
At 31 December 2006	73,292	19,432	96,664	121,123	310,511
Depreciation					
At 1 January 2006	73,292	4,366	92,841	118,268	288,767
Additions	-	3,888	3,499	1,238	8,625
Disposals	-	-	-	-	-
At 31 December 2006	73,292	8,254	96,340	119,506	297,392
Net book value					
At 31 December 2006	-	11,178	324	1,617	13,119
Net book value					
At 31 December 2005	-	15,066	3,823	1,359	20,248

8 FIXED ASSET INVESTMENT

	Unlisted investment £
Cost	
As at 31 December 2006 and 31 December 2005	10
Net Book Value	
As at 31 December 2006 and 31 December 2005	10

The unlisted investment relates to one £10 share holding at cost in Clinical Pathology Accreditation UK Ltd

9 DEBTORS

	2006 £	2005 £
Subscriptions	291,113	6,128
Prepayments	21,784	22,717
Other debtors	1,750	73,666
	<u>314,647</u>	<u>102,511</u>

As at date of signing £289,618 of the amount relating to outstanding subscriptions as at 31st December 2006 has been received

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

10 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	<u>2006</u>	<u>2005</u>
	£	£
Deferred Income (see note 11)	310,629	20,644
Other taxes and social security costs	-	-
Accruals and other creditors	18,206	30,433
	<u>328,835</u>	<u>51,077</u>

11. DEFERRED INCOME

	<u>2006</u>	<u>2005</u>
	£	£
Balance brought forward	20,644	1,403
Release to income during the year	(20,644)	(1,403)
Subscriptions income raised in advance in this year	291,113	-
Subscriptions in advance received in this year	18,016	20,644
Other income raised in advance in this year	1,500	-
Other income in advance received in this year	-	-
	<u>310,629</u>	<u>20,644</u>

12 MOVEMENT IN TOTAL FUNDS

Unrestricted	<u>2006</u>	<u>2005</u>
	£	£
At 1 January 2006	238,815	346,276
Incoming resources	458,963	493,204
Resources expended	(483,363)	(600,665)
At 31 December 2006	<u>214,415</u>	<u>238,815</u>

13. STATEMENT OF CHANGE IN RESOURCES APPLIED FOR FIXED ASSETS FOR THE CHARITY USE

Unrestricted	<u>2006</u>	<u>2005</u>
	£	£
Net movement in funds for the year	(24,400)	(107,461)
Resources used for net acquisition of tangible fixed assets	(1,496)	1,103
Net movement in funds available for future activities	<u>(25,896)</u>	<u>(106,358)</u>

14. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2006 or 31 December 2005

**ENGLISH COMMUNITY CARE ASSOCIATION
(LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2006

15 LEASING COMMITMENT

Operating lease payments amounting to £58,064 (2005 £57,920) are due within one year. The lease to which these amounts relate expire as follows:

	<u>2006</u>	<u>2005</u>
	£	£
Within one year	58,064	57,920
Between two to five years	-	-
	<u>58,064</u>	<u>57,920</u>

16 CAPITAL COMMITMENTS

There were no capital commitments at 31 December 2006.