

**intune Group Limited**

**Directors' report and financial  
statements**

**Registered number 02489376**

**Year ended 31 March 2011**

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## Company information

Company registration number	02489376
Registered office	Tavis House 1-6 Tavistock Square London, WC1H 9NA
Directors	TA Ablett GG Morris JA Porritt CW Scott SW Wathen T Wright
Secretary	M Harvey
Bankers	Barclays Bank Plc Level 28 1 Churchill Place Canary Wharf E14 5HP
Solicitors	Ashfords LLP Bull Wharf Redcliffe Street Bristol BS1 6QR
Auditor	KPMG Audit Plc 100 Temple Street Bristol BS1 6AG

## Directors' report

The directors present their directors' report and financial statements for the company for the year ended 31 March 2011

### Principal activities

The principal activity of the company during the year was the arrangement of financial services of particular relevance to older people. General insurance products – travel, motor, home and pet – are provided by Liverpool Victoria and a pre-paid funeral plan is provided by Golden Charter Limited. Advisory Services which result in suitable products being selected from the whole of the market are provided on the company's behalf by NHFA Ltd for care fees and Age Partnership Limited for equity release.

### Business review and future developments

Since 31 March 2010, the book of general insurance business has migrated to Age UK Enterprises Limited (formerly Age Concern Enterprises Limited - another company in the Age UK group) and its product provider, Ageas. The contracts for products related to other products have been terminated as these do not form part of the long term strategy of the Age UK group.

There was a profit for the year before taxation and gift aid of £1,981,914 (2010 £1,882,508)

The position of the company at the end of the year is shown in the balance sheet on page 8

The directors do not propose the payment of a dividend (2010 £nil)

### Going concern

Following the merger of the charities to form Age UK, the company has reviewed its business plans and considered the greater impact that the merged entities will have, together with greater awareness of the Age UK brand following substantial marketing activity which commenced in April 2011. The directors believe that the profile of the new charity together with ongoing marketing will also raise awareness of the products that the company has to offer and therefore help to maintain positive cash flows for the foreseeable future. As a result the going concern basis of accounting has been adopted.

### Directors

The present membership of the Board is set out below. All served throughout the year except where noted.

TA Ablett  
GG Morris  
JA Porritt  
CW Scott  
SW Wathen  
T Wright

None of the Directors had any interest in the share capital at any time.

### Political and charitable contributions

The amount of gift aid payable to Age UK is £727,848 (2010 £nil)

## Directors' report (*continued*)

### Provision of information to auditors

So far as each director is aware at the time this report was approved, there is no relevant audit information of which the company's auditors are unaware and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors have all the relevant information

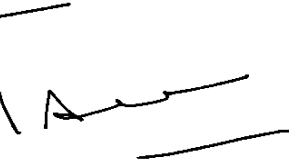
### Basis of preparation

The report of the directors has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit plc will therefore continue in office

By order of the board



**TA Ablett**  
*Director*  
Astral House  
1268 London Road  
London  
SW16 4ER

12 October 2011

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing these financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of intune Group Limited**

We have audited the financial statements of intune Group Limited for the year ended 31 March 2011 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

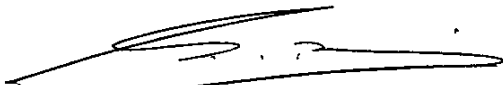
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of intune Group Limited *(continued)***

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Salim Tharani (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**  
Chartered Accountants  
100 Temple Street  
Bristol  
United Kingdom  
BS1 6AG

17 October 2011



**Profit and Loss Account**  
*for the year ended 31 March 2011*

	Note	2011 £	2010 £
<b>Turnover</b>	1,2	<b>1,313,170</b>	2,716,948
Cost of Sales		<u>(29,241)</u>	<u>(274,895)</u>
<b>Gross Profit</b>		<b>1,283,929</b>	2,442,053
Administrative expenses		<u>(112,113)</u>	<u>(720,408)</u>
<b>Operating profit and profit on ordinary activities before interest</b>		<b>1,171,816</b>	1,721,645
Other income – income from participating interests	17	<b>705,055</b>	152,027
Interest receivable		<b>10,143</b>	9,084
Interest payable		-	(248)
Profit on disposal of joint venture	8	<u><b>94,900</b></u>	-
<b>Profit on ordinary activities before taxation</b>	3	<b>1,981,914</b>	1,882,508
Tax on profit on ordinary activities	7	<u>-</u>	<u>(95,462)</u>
<b>Profit on ordinary activities after taxation</b>		<b>1,981,914</b>	1,787,046
Gift aid payable	5	<u>(727,848)</u>	-
<b>Profit on ordinary activities after taxation and profit retained and transferred to reserves</b>	13	<u><b>1,254,066</b></u>	<u>1,787,046</u>

All transactions arise from continuing operations

There were no recognised gains or losses other than the profit for the period

There are no differences between the results presented above or if they were to be presented on a historical cost basis

**Balance Sheet**  
*as at 31 March 2011*

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Investments	8	2	104
		<u>2</u>	<u>104</u>
<b>Current assets</b>			
Debtors	9	275,233	430,455
Cash at bank and in hand		<u>1,111,535</u>	<u>1,428,833</u>
		<u>1,386,768</u>	<u>1,859,288</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(530,150)</u>	<u>(256,838)</u>
<b>Net current assets</b>		<u>856,618</u>	<u>1,602,450</u>
<b>Total assets less current liabilities</b>		<u>856,620</u>	<u>1,602,554</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,010,000	3,010,000
Profit and loss account	12	<u>(153,380)</u>	<u>(1,407,446)</u>
<b>Shareholders' funds</b>	13	<u>856,620</u>	<u>1,602,554</u>

These financial statements were approved by the board of directors on 22 September 2011 and were signed on its behalf by

  
TA Ablett  
Director

Company registration number 02489376

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable UK accounting standards and under historical cost rules

#### **Going concern**

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. The directors confirm that renewal income will flow through from the business into the next financial year.

#### **Basis of Consolidation**

The company has taken advantage of the exemption granted under Section 400 of the Companies Act 2006 not to prepare consolidated accounts. Consolidated accounts are prepared by Age UK (see note 18). Accordingly, the company's financial statements present information about it as an individual undertaking and not about its group.

#### **Cash flow statements**

Age UK has prepared a consolidated cash flow statement in accordance with Financial Reporting Standard 1 'Cash flow statements (revised 1996)', thus exempting the company (a wholly owned subsidiary) from the requirement to prepare a cash flow statement.

#### **Turnover**

Turnover comprises the commissions receivable by the company in respect of general insurance services and matters relating to general insurance business sold in the year. Other income is recognised on a receivable basis.

#### **Investments**

Investments are stated at cost less any provision for impairment.

#### **Gift Aid**

The company has a policy of agreeing the level of profits to be gift aided to the immediate parent undertaking at a board meeting. The gift aid payable represents an amount equal to the company's taxable profits and is charged to the profit and loss account.

#### **Operating Leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

#### **Deferred taxation**

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

## Notes (continued)

### Pensions

The company makes contributions to a defined benefit pension scheme run by the parent undertaking. The scheme is a multi-employer scheme and contributions are accounted for as if the scheme were a defined contribution scheme as the company is unable to identify its share of the underlying assets and liabilities of the scheme. The pension charge represents the amount payable by the company to the fund in respect of the period.

## 2 Turnover

All turnover arose within the United Kingdom

	2011 £	2010 £
Insurance commission	1,251,932	2,463,381
Other commission	61,238	253,567
	<u>1,313,170</u>	<u>2,716,948</u>

## 3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging

	2011 £	2010 £
Auditors remuneration		
Audit fees	5,000	5,000
Non-audit services	7,200	2,300
	<u>12,200</u>	<u>7,300</u>

## 4 Directors' remuneration

No directors received any remuneration in the period (2010 nil)

## 5 Gift Aid payable

Profits chargeable to corporation tax are gift aided to Age UK. Gift Aid payable for year ended 31 March 2011 is £727,848 (2010 £nil).

## Notes (continued)

### 6 Directors and employees

Staff costs during the period were as follows

	2011 £	2010 £
Wages and salaries	-	387,317
Social security costs	-	38,105
Other pension costs	-	21,775
	<u>-</u>	<u>447,197</u>

The average number of employees excluding non-executive directors during the period was nil (2010 4)

The average number of non executive directors in post was 2 (2010 2) at a cost of £nil (2010 £nil)

### 7 Tax on profit on ordinary activities

The tax charge is based on the profit for the period and represents

	2011 £	2010 £
United Kingdom corporation tax at 28% (2010 28%)	-	-
Adjustments in respect of prior period	-	95,462
Total current tax	-	95,462
Deferred tax	-	-
Total tax for the year	<u>-</u>	<u>95,462</u>

#### Factors affecting the tax charge for period

The tax assessed for the period is lower (2010 lower) than the standard rate of corporation tax in the United Kingdom 28% (2010 28%) The differences are set out below

Profit on ordinary activities before tax and gift aid	<u>1,981,914</u>	<u>1,882,508</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom of 28% (2010 28%)	554,936	527,102
Effect of		
Tax losses utilised in the year	(328,108)	(480,382)
Expenditure not deductible for tax purposes	(49,668)	16,636
Group relief claimed before payment	-	(63,356)
Gift aid to charity	(203,797)	-
Adjustments in respect of prior period	-	95,462
Chargeable gain	<u>26,637</u>	<u>-</u>
Current tax charge for period	<u>-</u>	<u>95,462</u>

An amount of £10,915 (2010 £nil) has been identified as a deferred tax asset which has not been provided for above No deferred tax provision has been made for this on the basis that the business activities are gradually being transferred to Age UK Enterprises Limited

## Notes (continued)

### 8 Fixed asset investments

	2011 £	2010 £
<i>Shares in group undertakings</i>		
Intune Services Ltd	1	1
Intune Financial Services Ltd	1	1
R1A Trading Limited	-	2
<i>Shares in participating interests (including joint ventures)</i>		
Seniorlink Eldercare LLP	-	100
	<u>2</u>	<u>104</u>

#### *Investments in subsidiary undertakings*

Subsidiary undertaking	Registered in	Principal Activity	Percentage of equity and votes held
Intune Financial Services Limited	England & Wales	Dormant	100%
Intune Services Limited	England & Wales	Dormant	100%

#### *Investments in joint ventures*

During the year the company had a 50% interest in the equity of Seniorlink Eldercare LLP, incorporated in England & Wales whose principal activity is the provision of social alarm monitoring and mobile warden services, registered office 847 Burnley Road, Loveclough, Rossendale, BB4 8QL. Accounts for Seniorlink Eldercare LLP are prepared for the year ended 30<sup>th</sup> April. The results of Seniorlink Eldercare LLP have not been consolidated into these financial statements. As at 30 April 2010 the aggregate share capital and reserves of the company was £814,092 (2009 £889,720) and the profit for the period was £408,260 (2009 £405,632).

On the 17<sup>th</sup> March 2011 intune Group Limited disposed of its interest in Seniorlink Eldercare LLP. The disposal resulted in a profit on disposal of £94,900. This is discussed further in note 17.

### 9 Debtors

	2011 £	2010 £
Prepayments and accrued income	69,573	262,380
Amounts owed by parent company	-	163,904
VAT	5,660	4,171
Other debtors	<u>200,000</u>	<u>-</u>
	<u>275,233</u>	<u>430,455</u>

## Notes (continued)

### 10 Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	-	452
Corporation Tax	-	95,462
Accruals and deferred income	136,617	6,643
Other taxation and social security	-	6,025
Amounts owed to parent undertaking	228,559	-
Amounts owed to group undertakings	<u>164,974</u>	<u>148,256</u>
	<u>530,150</u>	<u>256,838</u>

### 11 Share capital

	2011 £	2010 £
<i>Authorised, allotted, called up and fully paid</i>		
3,000,000 redeemable preference shares of £1 each	1,000,000	3,000,000
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
	<u>1,010,000</u>	<u>3,010,000</u>

During the year 2,000,000 redeemable preference shares were redeemed for £1 each

The redeemable preference shares may be redeemed at par at the sole discretion of the company up to 31 December 2030

### 12 Reserves

	Company Profit and loss account £
Deficit at 1 April 2010	(1,407,446)
Profit for the year	<u>1,254,066</u>
<b>Balance as at 31 March 2011</b>	<u><u>(153,380)</u></u>

## Notes (continued)

### 13 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Share Capital redeemed	(2,000,000)	(2,000,000)
Profit for the financial year	1,254,066	1,787,046
Shareholders' funds at 1 April	<u>1,602,554</u>	<u>1,815,508</u>
Shareholders' funds at 31 March	<u>856,620</u>	<u>1,602,554</u>

### 14 Pension costs

The company makes contributions to a defined benefit pension scheme run by the parent undertaking. The scheme is a multi-employer scheme and contributions are accounted for as if the scheme were a defined contribution scheme as the company is unable to identify its share of the underlying assets and liabilities of the scheme. The pension charge represents the amount payable by the company to the fund in respect of the year.

The pension cost charge represents contributions payable by the company to the scheme and amounted to £nil (2010 £21,755).

### 15 Capital commitments

The company had no capital commitments at 31 March 2011 or 31 March 2010.

### 16 Contingent liabilities

The company has agreed to provide a facility of £0.8m to Aid-Call Ltd, which is a group entity. This facility will remain available for at least twelve months from the date of approval of the Aid-Call Ltd financial statements for the year ended 31 March 2011.

### 17 Transactions with directors and other related parties

The company has taken advantage of the exemption in Financial Reporting Standard No 8 "Related party disclosures" and has not disclosed transactions with group undertakings where 100 per cent of the voting rights are held within the group, headed by Age UK (See note 18).

During the year intune Group Limited received a dividend of £100,055 (2010 £152,027) from Seniorlink Eldercare LLP.

On the 17<sup>th</sup> March 2011 intune Group Limited disposed of its interest in Seniorlink Eldercare LLP to Seniorlink Eldercare LLP for £95,000 for the goodwill of the business and £605,000 as payment for intune Group's share of undistributed profits, of which £500,000 was received at the date of sale and the remaining £200,000 is shown at Note 9 in other debtors, which was subsequently received in May 2011.

There are no other related party transactions.



**Notes** *(continued)*

**18 Controlling related parties**

The directors consider that the ultimate parent undertaking and controlling related party of the company to be Age UK, a charitable company limited by guarantee and registered in England registered office address Tavis House, 1-6 Tavistock Square, London, WC1H 9NA, company number 6825798 principal place of business in the UK, registered charity number 1128267

During the year intune Group Limited had a 50% interest in a joint venture, Seniorlink Eldercare LLP along with Newchurch Housing Services Limited. The results for Seniorlink Eldercare LLP up to the date of disposal of this interest on 17<sup>th</sup> March 2011 have been included in the consolidated accounts of Age UK.