

# **Age Concern Hull**

(a company limited by guarantee)

## **Directors' Report and Financial Statements**

**31st March, 2006**



**Smailes Goldie**  
*Chartered Accountants*

 **UK200Group**

**Age Concern Hull**  
(a company limited by guarantee)

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# **Age Concern Hull**

(a company limited by guarantee)

## **Legal and Administrative Details**

*year ended 31st March, 2006*

The directors of Age Concern Hull are:

Mr. M. Needler	-	Chairman
Rev'd. M. Hills	-	Vice Chairman
Mr. D. W. Graham	-	Honorary Treasurer
Mr. C. Hutchinson		
Mr. J. Rose		
Mrs D. Bullock		
Miss G. Palethorpe*	-	Co-opted

\*the co-opted trustee is not a director of the charity.

The joint chief officers are :

Mr. G. T. Whitfield  
Mrs. S. Gould

Registered Address: Bradbury House,  
Porter Street,  
Hull.  
HU1 2RH

The names and addresses of relevant organisations are as follows:

Bankers: Bank of Scotland,  
1-4 Market Place,  
Hull.  
HU1 1RA

Auditors: Smailes Goldie,  
Regent's Court,  
Princess Street,  
Hull.  
HU2 8BA

Solicitors: Gosschalks,  
Queen's Gardens,  
Hull.  
HU1 3DZ

**Age Concern Hull**  
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**Chairman's Report**  
*year ended 31st March, 2006*

The highlight of the year must be the visit of Her Royal Highness, The Duchess of Cornwall in February 2006. The Duchess certainly enjoyed the experience and was keen to meet as many people as possible. I am sure all those who had the opportunity of talking to Her Royal Highness will remember the occasion for many years to come.

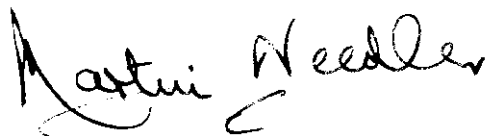
During the year we have seen a marked improvement in our financial situation and we are now on a financial footing which bodes well for the future. We still have a substantial loan from our Bankers and your Board is making every effort to find ways of reducing the liability and hope to bring this to a conclusion this financial year.

We were unfortunate to suffer from a serious flooding incident which then prevented some of the services at the Healthy Living Centre being used with the consequential effect on our cash flow. We are grateful to our staff, volunteers and customers for their patience and understanding during this difficult time. We hope that the changes to the reception area and other improvements undertaken during the remediation period prove to be beneficial to all.

I would like to pay a special tribute to all our volunteers who have given so much of their time free of charge. We have calculated that if this time had been paid for at the Guaranteed Minimum Wage Rate this would have cost the Charity over £70,000.00.

I would again like to thank Sally Gould and Trevor Whitfield our Joint Chief Officers, all our staff and each member of the Board who have given me wholehearted support. Also to thank all people who have supported Age Concern Hull during the year and hope you will continue to do so in the years to come.

Martin Needler



Chairman, Board of Directors.

3rd November 2006

# **Age Concern Hull**

**(a company limited by guarantee)**

## **Chief Officers Report**

*year ended 31st March, 2006*

Trevor Whitfield and Sally Gould  
**Joint Chief Officers**

The year under review has seen a number of staff changes. Funding for the Preston Road Regeneration Project Administration post was discontinued at the end of last year, resulting in Barbara Paris being appointed as Income Generation/Heyday Organiser. Heyday is a new membership scheme, launched by Age Concern England at the end of May, which provides a range of consumer opportunities. Age Concern England (Opportunities for Volunteering) awarded us a grant over two years to further develop volunteering and Julie Hastings was appointed Volunteer Support Manager in May. Advocacy Forum in Hull were managing a 3 year project however due to internal difficulties we were approached and asked to take over the management of the project worker for her final year. This we agreed to do and in April, Sue Brown was transferred to us.

In order to improve the facilities in the Fitness Suite, the multi-gym and associated activities were moved into the lounge/craft room on the second floor effectively doubling the floor area and facilitating use of the equipment by more members at busy times of the day. The craft room/lounge activities now take place either in the boardroom or former multi-gym room. Following the enormous disruption caused when the hydropool circulating pump fractured in 2005, the wet room has undergone major refurbishment. Both the spa and hydropool together with the shower area were stripped out and a waterproof liquid membrane applied to the entire lower floor area including inside the steam cabinet. The shower area wall tiles were removed and replaced with a waterproof board and two additional floor drainage units installed.

In July we were re-assessed against the national standards for Investors in People and we are delighted to report that our recognition is maintained. The assessor was impressed with the 'loyalty, commitment and dedication within the organisation'.

Discussions are at an advanced stage with the Bank of Scotland to turn the overdraft into a long term loan with regular monthly repayments.

The Healthy Living Centre uses a variety of strategies enabling local people to tackle the issues that affect their daily lives, thus helping them to become healthier, both in the short and the longer term.

In conclusion we offer our sincere thanks to staff and volunteers who continue to demonstrate their commitment and support to Age Concern Hull creating a climate in which we can develop and respond to challenges.

# **Age Concern Hull**

**(a company limited by guarantee)**  
**Directors' Report**  
*year ended 31st March, 2006*

## **1. Directors' responsibilities**

The Companies Act 1985 and the Charities Act 1993 requires us as Directors 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 of the Charity for that year. In preparing those financial statements we 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 and statements of recommended practice 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 Charity will continue in operation.

We are responsible for ensuring that the charity has appropriate systems of control, financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable us to ensure that the financial statements comply with the Companies Act 1985. We are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

The most significant identified risk to the Charity is that of damage to its reputation, therefore we are particularly keen to ensure it is protected. Staff are fully aware of the importance of reputation in helping the Charity to achieve its objectives.

## **2. Legal structure**

### **Status**

Age Concern is a registered charity and a company limited by guarantee without a share capital (see note 19). The charity's governing document is its Memorandum and Articles of Association which restricts the charity's operations to all lawful acts as are incidental or necessary to the attainment of its objectives.

Company Number: 04792749

Charity Number: 1101418

### **Philosophy**

**Age Concern Hull exists to promote the well being of older people in Hull, recognising their right to independence, fulfilment, dignity and choices, working with them to help make later life a gratifying and enjoyable experience.**

### **We seek to achieve this by:**

- o Providing good quality services and support for older people
- o Influencing policy and practice and changing views about ageing
- o Researching needs, consulting people and finding innovative ways of meeting those needs, and
- o Working in partnership with other agencies, Public, Private and Voluntary.

# Age Concern Hull

(a company limited by guarantee)

## Directors' Report

year ended 31st March, 2006

### Our Aims

- Ensure that all our activities promote the health, well-being and independence for older people;
- Assist our Statutory partners in reducing reliance on acute or institutional care for all older people;
- Design our services around the needs and aspirations of older people, ensuring that there is opportunity for them to develop new skills, harness their experiences, be listened to and heard and, that taking part is made possible for all, particularly those older people who are vulnerable and isolated;
- Undertake to treat all older people with dignity and respect and root out any age discrimination;

### Our Objectives

#### We Will:

Provide **Information and Advice** to assist older people to improve their quality of life to:

- reduce the isolation and loneliness of older people; in particular those who are isolated and vulnerable through organised group work and activities/social events
- give opportunities for volunteering across the organisation to enhance and develop individual skills and harness the experience and knowledge for the benefit of the organisation and its client group
- *provide practice learning opportunities for Student Social Workers in Training to enable them to learn at the 'coal face' whilst receiving support and supervision from agency supervisors and contributing to the foundations for the future of Social Work*
- work with partner agencies to ensure benefit take up and signpost to other agencies when appropriate

Deliver **Community Services** to reach isolated older people by:

- providing local services for older people and enabling them to make informed choices about their diet, exercise and daily activities.
- promoting and providing a range of individual opportunities for people aged 50 plus and their carers to enhance their quality of life.
- providing a service which meets the cultural, gender and religious needs of our diverse community
- offering services that will aid older people to remain in their own home for as long as is possible and promote their independence
- developing, 'through the gate' activities in Hull Prison to prepare older prisoners for their release and re-settlement
- delivering through project funding from Volunteering England an advocacy project to individuals with early memory loss and a support group for users and carers

# Age Concern Hull

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## Directors' Report

year ended 31st March, 2006

Develop **Health and Fitness** regimes at the Healthy Living Centre and across the city focused on 50+, we will:

- provide a facility to promote active ageing, social and educational opportunities
- raise awareness of Falls Prevention strategy

Provide **Retail and Restaurant** services:

- make available value for money goods resulting in vital funds for services
- the provision of low cost nutritional meals and refreshments in friendly surroundings

### Impact Report

Throughout the year under review the Charity has received magnificent support from a dedicated band of volunteers, without whom it would not have been possible to deliver the range of services we do. Between 1<sup>st</sup> December 2005 and 30<sup>th</sup> November 2006, our volunteers gave a total of 14,061 hours, which if converted to the national minimum wage of £5.05 (as at 30<sup>th</sup> September 2006) equates to a saving to the Charity of £71,008.05.

This report shows what we intended to achieve in the financial year 2005/6 and whether we have achieved it.

Each area shows our aims and targets for last year. Achievements are shown against those targets. Our new aims and targets for next year are also shown. The symbols (below) summarise how we have performed.

☺ fully achieved ☺ partly achieved ☹ not achieved

Aim 2005/6  
What we planned to do at the beginning of the financial year 2005/6

Target  
The specific target we intended to reach over the financial year to achieve our aim.

Achievements against target. How we performed against the targets

Aim 2006/7

Targets

Our priorities for next year.

Specific targets we need to achieve so that we can progress towards our aim.

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### What we have achieved and future developments

Student Social Workers in Training

#### Aims 2005/6

To develop a student unit in partnership with both Hull and Lincoln Universities

#### Target

To increase the number of student placements

#### Achievements

☺ Now fully in situ and has provided increased learning opportunities



# Age Concern Hull

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## Directors' Report

year ended 31st March, 2006

To enable Age Concern Supervisors to obtain the Practice Learning Assessor award.

☺ Staff members(2) registered for next course

### Volunteering Opportunities Aims

To obtain funding to appoint a Volunteer Support Manager

### Target

Provide volunteers with opportunities to develop their skills and have a dedicated staff member for supervision

### Achievements

☺ Funding awarded by Dept. Health, Opportunities for Volunteering Scheme.

### Healthy Living Centre Aims

Obtain funding to facilitate necessary building work to provide additional space to comply with F.S.A. requirements

### Target

Improve service delivery and privacy for clients

### Achievements

☺ Design plans obtained for consultation

### Aims 2006/07

#### Healthy Living Centre Aim

Continue funding applications for further building development work

### Target

Mezzanine floor area in Sports Hall for training purposes

### Achievement

☹

#### Day Services Aim

To extend day service provision

### Target

North and West Hull

### Achievement

☹ Preliminary discussion only

## 3. Organisation

### Governance and decision making

The body responsible for the general control and management of the Charity is the Board of Trustees.

The membership of the Board consists of:

- i The Chair elected by members of the Organisation.
- ii Such other number of persons elected by the members of the Organisation as may from time to time be determined in regulations adopted and issued in accordance with Clause 25A(2) of the Constitution.
- iii Those persons co-opted in accordance with Clause 28A of the Constitution.
- iv A representative of Age Concern England who has the right to attend, to comment, advise and make recommendations but not to vote at meetings of the Board.

# **Age Concern Hull**

**(a company limited by guarantee)**

## **Directors' Report**

*year ended 31st March, 2006*

The Board comprises 7 Trustee members (2 are volunteers of the Charity and service users) and meets 6 times a year. A nominated Trustee advises and liaises with senior managers on matters of finance, personnel/health & safety, volunteering and fundraising.

The board of directors delegates the day to day management of the charity to an executive team who execute the policies and strategies defined by the board.

### **Liaison Committee**

The Board is responsible for establishing a Liaison Committee to bring together in discussion those appointed to represent the Organisation on other bodies, and representatives of other bodies in membership of the Organisation. The Liaison Committee meets at least six times per year, prior to ordinary meetings of the Organisation to receive written reports from its members and to conduct its business as determined by the Board in accordance with the provisions of Clause 3A(2) of the Constitution

## **4. Review of the year**

### **Grant Funding**

The Falls Prevention and Ageing Well Projects are funded jointly by Hull City Council and Hull PCT's.

New Horizons Project which began in March 2002 finished in March 2006.

The New Deal for Communities in Preston Road community team continued into its final year of a three year funded project.

Continued funding and support was received from the William Sutton Trust for community work within East Hull.

### **Healthy Living Centre**

The operations from our head office at Porter Street continued to be extremely successful and the building has now become the hub for all Age Concern activities in Hull.

### **Retail Sales**

On 1st August, 2004 the charity transferred its shops to Age Concern England. This has resulted in reducing the administrative burden of the charity. Unfortunately the commission levels have not been as high as had been expected due to high refurbishment costs being incurred. The charity continues to operate one shop from Porter Street.

### **Restaurant**

Restaurant income remained constant during the year. The service provides a facility to support the wellbeing of the target group. As such the board set a budget for this cost.

### **Fundraising**

Fundraising events and collections generated £23,212.

# Age Concern Hull

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## Directors' Report

year ended 31st March, 2006

### Legacies

Legacy income was £1,000 for the year. We are advised that we must include all legacies for which we had received probate notification by 31st March, 2006.

### Home Support

The Home Support service showed a decrease in activity during the year.

### Trading Income

Covenants received from Age Concern Hull Trading Limited were £190,000.

### Schools Project

The schools project continued successfully during the year assisted by 20 volunteers.

### Other Activities

Participation in the Partnership Day Service with Hull City Council and William Sutton Trust at Swanfield Road continued.

### Financial results

The Charity showed a surplus of £47,403 prior to an adjustment made for the increase in the value of investments of £573 giving a net surplus of £47,976.

The annual surplus is comprised of the following:

	£
Unrestricted activities – surplus	106,680
Restricted activities – deficit	(58,704)
	<hr/>
Total surplus for the year carried to reserves	47,976
	<hr/>

## 5. Reserves policy

The general fund provides funds to meet the charity's short term and mid term financial commitments. An amount equivalent to approximately three month's expenditure on recurring work has been designated a base reserve to enable Age Concern Hull to absorb temporary downturns in fundraising, without having to cut back on the programme of expenditure. During the year to 31st March, 2006 all unrestricted funds have similarly been utilised.

	£
Base Reserve	250,000
Total unrestricted reserves	226,446
	<hr/>
Identified deficit on reserves	23,554
	<hr/>

**Age Concern Hull**  
**(a company limited by guarantee)**  
**Directors' Report**  
*year ended 31st March, 2006*

**6. Action Plan**

The Directors recognise the difficult position with which the charity is faced. This is primarily as a result of completing the building in advance of securing full capital funds. However, this decision was made by the board in consultation with their partners in the project and they are now making every effort to secure capital funding to close the gap.

**7. 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 each Director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**8. Auditors**

Smailes Goldie offer themselves for reappointment as auditors at the next Annual General Meeting.

Signed on behalf of the Board of Directors



**D. W. Graham** - Honorary Treasurer  
The Healthy Living Centre,  
Bradbury House,  
Porter Street,  
Hull.  
HU1 2RH  
3rd November, 2006

# **Age Concern Hull**

**(a company limited by guarantee)**

## **Independent Auditors Report to the members of Age Concern Hull**

We have audited the financial statements of Age Concern Hull for the year ended 31st March 2006 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 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 trustees and auditors**

As described in the Statement of Directors Responsibilities the directors (who are also the trustees of Age Concern Hull for the purposes of charity law) are responsible for the preparation of the Directors Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors Annual Report is not consistent with the financial statements, if 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 transactions is not disclosed.

We read the Directors Annual 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 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.

### **Emphasis of matter**

In forming our opinion we have considered the adequacy of the disclosures made in note 1(b) to the financial statements concerning the inherent uncertainty as to the ability to raise sufficient funds to pay for the building overspend. There is, therefore a level of concern as to the appropriateness of the going concern basis of the preparation of the financial statements. As a consequence, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities which may arise, and to reclassify fixed assets and long term liabilities as current assets and liabilities. It is not possible to quantify these potential effects. Our opinion is not qualified in this respect.

# **Age Concern Hull**

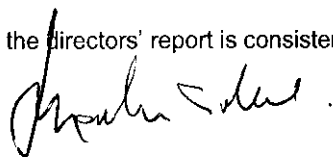
(a company limited by guarantee)

## **Independent Auditors Report to the members of Age Concern Hull**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the company's affairs as at 31st March 2006, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.
- The information given in the directors' report is consistent with the financial statements.



### **Smailes Goldie**

Chartered Accountants  
Registered Auditors  
Regent's Court,  
Princess Street,  
Hull. HU2 8BA  
3rd November, 2006

# Age Concern Hull

(a company limited by guarantee)

## Statement of Financial Activities (incorporating Income and Expenditure Account)

year ended 31st March, 2006

	Note	Unrestricted funds £	Restricted Funds £	Total funds 2006 £	Total funds 2005 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds:</b>					
<i>Voluntary income:</i>					
Grants	2	4,500	263,449	267,949	193,006
Donations		3,662	1,550	5,212	17,612
Legacies		1,000	-	1,000	20,607
Other income	5	25,318	-	25,318	27,086
<i>Activities for generating funds:</i>					
Investment income		1,155	-	1,155	973
<b>Incoming resources from charitable activities</b>					
Restaurant		68,551	-	68,551	66,972
Covenant income		190,000	-	190,000	185,807
Retail sales	4	32,753	-	32,753	63,413
Active lifestyles		40,654	-	40,654	26,692
Day services		22,306	-	22,306	22,094
Home support		72,487	-	72,487	94,179
Other income	5	46,377	36,043	82,420	66,144
<b>Total incoming resources</b>		<b>508,763</b>	<b>301,042</b>	<b>809,805</b>	<b>784,585</b>
<b>Resources expended</b>					
<b>Costs of generating funds:</b>					
Fundraising and publicity	6	1,747	-	1,747	2,894
<b>Charitable activities</b>	6	401,898	328,916	730,814	694,277
<b>Governance costs</b>	6	26,315	3,526	29,841	25,389
<b>Total resources expended</b>	6	<b>429,960</b>	<b>332,442</b>	<b>762,402</b>	<b>722,560</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>78,803</b>	<b>(31,400)</b>	<b>47,403</b>	<b>62,025</b>
Transfers between funds	16	27,304	(27,304)	-	-
<b>Net incoming resources</b>		<b>106,107</b>	<b>(58,704)</b>	<b>47,403</b>	<b>62,025</b>
Unrealised gains on investment assets		573	-	573	429
Net movement in funds		106,680	(58,704)	47,976	62,454
Fund balances brought forward		119,766	2,203,931	2,323,697	2,261,243
<b>Fund balances carried forward</b>		<b>226,446</b>	<b>2,145,227</b>	<b>2,371,673</b>	<b>2,323,697</b>

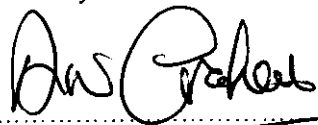
The annexed notes form part of these financial statements.

**Age Concern Hull**  
(a company limited by guarantee)  
**Balance Sheet**  
at 31st March, 2006

	Note	2006		2005	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	11		2,741,984		3,019,462
Investments	12		3,646		3,073
			<hr/>		<hr/>
			2,745,630		3,022,535
<b>Current assets</b>					
Stock	13	2,500		2,500	
Debtors	14	157,469		160,257	
Cash at bank		82,949		32,415	
Cash in hand		588		735	
		<hr/>		<hr/>	
		243,506		195,907	
		<hr/>		<hr/>	
<b>Creditors: amounts falling due within one year</b>					
Creditors	15	617,463		705,669	
		<hr/>		<hr/>	
<b>Net current (liabilities)</b>			(373,957)		(509,762)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			2,371,673		2,512,773
<b>Creditors: amounts falling due after more than one year</b>					
Tax and social security			-		189,076
			<hr/>		<hr/>
<b>Net assets</b>			2,371,673		2,323,697
			<hr/>		<hr/>
<b>Income funds:</b>					
Restricted funds			2,145,227		2,203,931
Unrestricted funds			226,446		119,766
			<hr/>		<hr/>
	16		2,371,673		2,323,697
			<hr/>		<hr/>

The financial statements have been prepared in accordance with the special provisions of part VII of the companies Act 1985 relating to small companies.

Approved by the board of Directors on the 3rd November, 2006 and signed on its behalf by:

  
..... Director

The annexed notes form part of these financial statements.



# **Age Concern Hull**

**(a company limited by guarantee)**

## **Notes to the Financial Statements**

*year ended 31st March, 2006*

### **1. Accounting policies**

The financial statements have been prepared under the historical cost basis, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities" published in 2005, the Companies Act and applicable accounting standards. The main change in the format of the accounts as a result of adopting SORP 2005 is the allocation of support costs directly to the relevant heading on the SOFA.

#### **a) Basis of preparation**

The charity has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

#### **b) Going concern**

The financial statements have been prepared on a going concern basis. The directors have assessed the appropriateness of the going concern basis and it is their opinion that within a reasonable time frame funds will be raised to cover the capital deficit on the new premises. In the meantime support from the bank is continuing.

In assessing the appropriateness of the going concern basis the directors have prepared budgets which address the financial position of the charity. These budgets are being used to assess the various financing options available, and thus formulate an effective plan which will place the charity in a sound financial position.

#### **c) Incoming resources**

Grants, legacies, cash donations and gifts are included in full in the Statement of Financial Activities as soon as they are capable of being recognised. Significant non cash donations are included at the Directors' estimate of their market value when received. The value of voluntary help is not included in the accounts.

Bank interest is included in the Statement of Financial Activity on an accruals basis.

#### **d) Restricted funds**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.

#### **e) Unrestricted funds**

Unrestricted funds are donations and other income received or generated for the objects of the Charity without further specified purpose and are available to general funds.

#### **f) Staff costs**

Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

# Age Concern Hull

(a company limited by guarantee)

## Notes to the Financial Statements

year ended 31st March, 2006

### 1. Accounting policies (continued)

#### g) Resources expended

Fund raising and publicity costs comprise the costs actually incurred in producing materials for promotional purposes.

Governance costs of the Charity relate to the costs of running the Charity such as the costs of meetings, audit and statutory compliance, and includes any costs which cannot be specifically identified to another expenditure classification.

#### h) Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is calculated to write down the cost of all fixed assets, other than long leasehold property, over their expected useful lives.

The rates generally applicable are:

Long leasehold property	over the period of the lease
Motor vehicles	25%
General equipment	10%
Fixtures and fittings	10%

#### i) Stocks

Stocks are stated at the lower of cost and net realisable value.

#### j) Investments

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and the original cost or annual revaluation of the investments are shown as unrealised investment gains or losses.

The difference between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

#### k) Grants

Grants of a revenue nature which are made to give immediate financial support or to reimburse costs previously incurred are credited to the statement of financial activities in the period in which they become receivable.

Grants of a revenue nature which are made to finance general activities over a specified period or to compensate for a loss of current or future income are credited to the statement of financial activities in the period in which they are paid.

#### l) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### m) VAT

The charity is VAT registered. The resulting irrecoverable VAT is credited to the expenditure to which it relates.

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<b>2. Grants</b>	<b>2006 £</b>	<b>2005 £</b>
Day services	59,605	5,066
Home support	7,142	-
Ageing Well and Falls Prevention	107,093	45,000
New Deal for Communities	27,652	33,064
New Horizons	32,807	21,197
Community Services	29,150	80,679
Other grants	4,500	8,000
	<u>267,949</u>	<u>193,006</u>

Grants received are not comparable year on year as funding comes to an end and new funding is won on an ongoing basis.

**3. Taxation**

Age Concern Hull is a UK registered charity, number 1101418. All the Charity's income is applied to its charitable objectives and the Charity is, therefore, exempt under current legislation from most forms of taxation.

<b>4. Retail sales</b>	<b>2006 £</b>	<b>2005 £</b>
Shop income:		
Hessle Road	-	6,412
Spring Bank	-	8,564
Greenwood Avenue	-	4,918
Holderness Road	-	7,707
Southcoates Lane	-	3,267
Porter Street	27,911	25,055
Age Concern England commissions	4,842	7,490
	<u>32,753</u>	<u>63,413</u>

<b>5. Other income</b>	<b>2006 £</b>	<b>2005 £</b>
Community services training	25,280	9,622
Collections	11,256	11,762
General fund raising	11,956	13,025
Sundry income	14,538	9,729
Membership Scheme	1,992	2,159
Sponsorship	114	140
Profit on sale of Fixed Assets	149	-
Room rental income	42,453	46,793
	<u>107,738</u>	<u>93,230</u>
Incoming resources from voluntary activities	25,318	27,086
Incoming resources from charitable activities	82,420	66,144
	<u>107,738</u>	<u>93,230</u>

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6. Total resources expended	Voluntary £	Information and advice £	Health and fitness £	Community Services £	Retail and restaurant £	Governance £	2006 Total £	2005 Total £
<b>Costs directly allocated to</b>								
<b>Activities</b>								
Staff costs	-	104,930	59,645	150,637	61,301	-	376,513	360,830
Purchases	15	90	404	1,613	31,572	-	33,694	36,173
Motor expenses	-	1,210	-	18,070	-	-	19,280	148
Professional fees	-	7,264	-	-	41	-	7,305	3,366
Sundry expenses	1,732	6,936	59	799	154	-	9,680	361
Office and Property expenses	-	1,371	2,915	8,340	1,030	12	13,668	3,582
Depreciation	-	-	1,250	-	6,592	-	7,842	7,548
<b>Support costs allocated to</b>								
<b>Activities</b>								
Staff costs	3,425	20,943	4,415	20,710	11,002	6,819	67,314	57,705
Repair costs	1,911	11,680	2,462	11,550	6,136	3,802	37,541	38,896
Motor expenses	177	1,079	227	1,066	566	350	3,465	4,258
Irrecoverable VAT	987	6,036	1,273	5,970	3,171	1,966	19,403	20,323
Professional fees	1,881	11,503	2,425	11,375	6,042	3,744	36,970	27,955
Sundry expenses	132	805	169	794	423	272	2,595	4,641
Insurance	508	3,110	656	3,075	1,634	1,013	9,996	8,010
Light and heat	841	5,144	1,085	5,087	2,703	1,675	16,535	14,243
Rent and rates	508	3,110	656	3,075	1,634	1,013	9,996	17,273
Other property costs	774	4,730	997	4,677	2,484	1,540	15,202	16,098
Postage, stationary and advertising	647	3,964	836	3,921	2,084	1,290	12,742	9,994
Telephone	385	2,351	496	2,325	1,235	766	7,558	27,674
Bank charges and interest	38	235	49	232	123	76	753	3,103
Loan interest	1,771	10,831	2,283	10,710	5,690	3,526	34,811	32,221
Depreciation	954	5,832	1,230	5,769	3,065	1,898	18,748	27,490
Training expenses	40	246	52	244	130	79	791	668
	<u>16,726</u>	<u>213,400</u>	<u>83,584</u>	<u>270,039</u>	<u>148,812</u>	<u>29,841</u>	<u>762,402</u>	<u>722,560</u>

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**7. Staff costs**

The average number of persons employed by the charity during the year was as follows:

<b>2006 No.</b>	<b>2005 No.</b>
48	53

The aggregate payroll costs in respect of these employees were as follows:

	<b>2006 £</b>	<b>2005 £</b>
Wages and salaries	412,909	383,533
Social security	26,736	23,941
	<u>439,645</u>	<u>407,474</u>

During the year no employee earned more than £60,000.

The value of voluntary help is not specifically costed.

**8. Directors' remuneration**

The directors were not entitled to and did not receive any remuneration or expenses from the Charity during the year.

**9. Auditors' remuneration**

	<b>2006 £</b>	<b>2005 £</b>
Audit services	3,800	3,750
Non audit services	25,312	13,885
	<u>29,112</u>	<u>17,635</u>

**10. Indemnity insurance**

The directors of the charity are indemnified against the consequences of any neglect or default on their part through a group policy held by Age Concern England. This cover is free of charge.

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11.	Tangible fixed assets	Long leasehold property £	Motor vehicles £	General equipment £	Fixtures and fittings £	Total £
	<b>Cost:</b>					
	At 1st April, 2005	2,941,563	10,789	144,976	148,813	3,246,141
	Additions	-	-	2,932	2,919	5,851
	Release of VAT provision	(256,738)	-	-	-	(256,738)
	Disposals	-	(5,489)	-	-	(5,489)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	At 31st March, 2006	2,684,825	5,300	147,908	151,732	2,989,765
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<b>Depreciation:</b>					
	At 1st April, 2005	73,990	10,787	82,426	59,476	226,679
	Charge for the year	-	-	11,417	15,173	26,590
	Eliminated on disposals	-	(5,488)	-	-	(5,488)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	At 31st March, 2006	73,990	5,299	93,843	74,649	247,781
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<b>Net book value:</b>					
	At 31st March, 2006	2,610,835	1	54,065	77,083	2,741,984
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	At 31st March, 2005	2,867,573	2	62,550	89,337	3,019,462
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The charity's long leasehold property has not been depreciated during the year. The directors feel that this is an acceptable policy based on the length of the lease, and the fact that regular maintenance is carried out to maintain the property at a value equivalent to its net book cost.

The net book value at 31st March, 2006 represents fixed assets used for:

	£	£	£	£	£
Direct charitable purposes	1,502,938	1	31,465	45,486	1,579,890
Other purposes:					
Management and administration	1,107,897	-	22,600	31,597	1,162,094
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,610,835	1	54,065	77,083	2,741,984
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
<b>12. Investments</b>		
At 1st April, 2005	3,073	2,644
Increase in value for the year	573	429
	<hr/>	<hr/>
Market value at 31st March, 2006	3,646	3,073
	<hr/>	<hr/>
Historical cost at 31st March, 2006	3,895	3,895
	<hr/>	<hr/>
Analysis of investments:		
UK Equities	2,897	3,073
European Equities	749	-
	<hr/>	<hr/>
	3,646	3,073
	<hr/>	<hr/>
Individual investments exceeding 5% by value of the portfolio were as follows:		
	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Banco Santander Central Hispano	749	574
HBOS	2,787	2,416
	<hr/>	<hr/>
	3,536	2,990
	<hr/>	<hr/>
<b>13. Stock</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Catering supplies	2,500	2,500
	<hr/>	<hr/>
<b>14. Debtors</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Trade debtors	14,393	68,731
Other debtors	31,605	3,527
Age Concern Hull Trading Limited	111,471	87,999
	<hr/>	<hr/>
	157,469	160,257
	<hr/>	<hr/>
<b>15. Creditors: amounts falling due within one year</b>	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Bank overdraft	570,424	569,678
Trade creditors	13,647	22,521
Accruals	14,065	6,397
Other creditors	10,357	33,117
Tax and social security	8,970	73,956
	<hr/>	<hr/>
	617,463	705,669
	<hr/>	<hr/>

**Age Concern Hull**  
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**Notes to the Financial Statements**  
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16. Funds	Unrestricted Funds £	Restricted funds £	Total Funds £
At 1st April, 2005	119,766	2,203,931	2,323,697
Incoming resources for the year	508,763	301,042	809,805
Outgoing resources for the year	(429,960)	(332,442)	(762,402)
Transfers between funds	27,304	(27,304)	-
Unrealised gains on investment assets	573	-	573
	<u>226,446</u>	<u>2,145,227</u>	<u>2,371,673</u>
At 31st March, 2006	226,446	2,145,227	2,371,673
<b>Represented by:</b>			
Tangible fixed assets and investments	12,717	2,732,913	2,745,630
Current assets	225,955	17,551	243,506
Creditors: amounts falling due within one year	(12,226)	(605,237)	(617,463)
amounts falling due after one year	-	-	-
	<u>226,446</u>	<u>2,145,227</u>	<u>2,371,673</u>

The movements on the restricted funds of the Charity were as follows:

	1st April, 2005 £	Incoming £	Outgoing £	Transfers £	31st March, 2006 £
a) Building Fund	2,180,038	-	(34,811)	-	2,145,227
b) Social Workers In Training	3,634	25,280	(19,609)	(9,305)	-
c) Partnership Day Services	6,519	59,605	(56,463)	(9,661)	-
d) Ageing Well and Falls Prevention	12,120	110,945	(102,023)	(21,042)	-
e) New Deals for Communities	1,620	31,102	(41,918)	9,196	-
f) Community Services	-	34,161	(55,094)	20,933	-
g) New Horizons	-	32,807	(22,524)	(10,283)	-
i) Home support	-	7,142	-	(7,142)	-
	<u>2,203,931</u>	<u>301,042</u>	<u>(332,442)</u>	<u>(27,304)</u>	<u>2,145,227</u>

The purpose of the transfer between the restricted funds and unrestricted fund is to reallocate the administrative expenses incurred against the charity's numerous activities.

The balances will be carried forward and used as follows:

- a) Funding depreciation and overdraft interest on the Porter Street healthy living centre



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	2006 £	2005 £
<b>17. Capital commitments</b>		
Contracted for but not provided in these accounts	Nil	Nil

**18. Related party transactions**

During the year the Charity transacted with Age Concern Hull Trading Limited, a company controlled by the directors of the charity.

	2006 £	2005 £
Covenanted income received from Age Concern Hull Trading Limited	190,000	185,807
Rental income and service charges due from Age Concern Hull Trading Limited	16,850	14,672

At 31st March, 2006 the debt due from Age Concern Hull Trading Limited amounted to £111,471 (2005 £87,999).

**19. Called up share capital**

There is no called up share capital as the company is limited by guarantee. In the event of the company being wound up each member has undertaken to contribute to the assets of the Charity such amount as may be required to discharge its debts, the amount not to exceed £1 per member.