

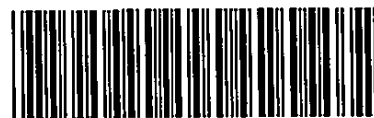
Age UK Services Limited

Directors' report and financial
statements

Registered number 06838416

Year ended 31 March 2013

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Administrative information

Company registration number 06838416

Registered office Tavis House
1-6 Tavistock Square
London
WC1H 9NA

Directors Thomas Charles Kendal Knox Wright
Stephanie Harland
Rajeev Arya (appointed 31/05/13)
Esther Jackson (appointed 31/05/13)
Charles William Scott (resigned 19/10/12)
Duncan Lewis (resigned 31/03/13)

Company Secretary Mark Harvey

Auditor KPMG LLP
1 Forest Gate
Brighton Road
Crawley RH11 9PT

Bankers Barclays Bank
1 Churchill Place
London E15 5HP

Solicitors Farrer & Co LLP
66 Lincoln's Inn Field
London WC2A 3LH

Directors' report

The directors present their report together with the audited financial statements for the year ended 31 March 2013

Principal activities

Age UK Services Limited supplies services and support to the Age UK Group and external partners and undertakes other trading activities

The services supplied in the year were

- marketing services,
- management and resourcing of fundraising activities for the charity,
- support services for the group

The company charges management fees to Age UK and its other subsidiaries for services provided

Review of business

There was a profit for the year before taxation and gift aid of £1,082,000 (2012 £1,637,000) The company donates its taxable profits to Age UK by way of gift aid The directors anticipate the company will continue to make profits before gift aid from the same fields of business The directors do not recommend the payment of a dividend

Key performance indicators attributable to the company are

	2013 £'000	2012 £'000
Turnover	465	712
Profit before tax	1,082	1,637
Profit after tax	1,044	1,637
Net Assets / (Liabilities)	2	(82)

Going concern

The directors have reviewed the financial position of the company at the balance sheet date, as well as forecasts for twelve months from the date of signing these accounts and conclude that the going concern basis of preparation is appropriate

Principal risks and uncertainties

The directors had overall responsibility for ensuring that the company had an appropriate system of controls, financial and otherwise They were also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities, and to provide reassurance that

- its assets were safeguarded against unauthorised use or disposition,
- proper records were maintained and financial information used within the company or for publication was reliable, and
- the company complied with relevant laws and regulations

Directors' report (continued)

As part of the company's risk management process the directors acknowledged their responsibility for the company's system of internal control and reviewing its effectiveness. It was also recognised by the company that such a system was designed to manage rather than eliminate the risk of failure to achieve the company's trading objectives and could provide only reasonable, not absolute, reassurance against material misstatement or loss.

The Directors believe that providing services and support to the Age UK Group from one services company is more efficient than having these services provided by each of the entities in the group. By providing services and support in this way the group as a whole is able to better control the costs associated with these activities. There is a potential increased risk to the group if the company became unable to deliver any one of the activities which it provides. A robust continuity plan is in place to ensure the group can maintain continuity of key support services.

Staff

The effectiveness of the service supplied depends on the level of skills and professionalism maintained in the company. Failure to maintain the optimum level of resource and skills would impact the company's ability to deliver support services.

The company follows a rigorous recruitment and performance monitoring processes with procedures in place for providing employees with opportunities and support for personal development.

Equality and diversity

Equalities, diversity and disability are areas of great importance to Age UK Services Limited. It is fundamental that people are treated fairly with respect and dignity. Age UK Services Limited will not tolerate any discrimination, victimisation or harassment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

Future developments

The company will continue to provide services to Age UK. Future development includes giving other external partners access to these services.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' report (continued)

Auditor

The Auditor has indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the annual general meeting

By order of the board



Tom Wright
Director

1-6 Tavistock Square
London WC1H 9NA

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 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 of the company for that year. 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.

The directors are responsible for the maintenance and integrity for the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

KPMG LLP
1 Forest Gate
Brighton Road
Crawley
RH11 9PT
United Kingdom

Independent auditor's report to the members of Age UK Services Limited

We have audited the financial statements of Age UK Services Limited for the year ended 31 March 2013 set out on pages 9 to 16. 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 6, 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 and express an opinion on 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 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 Financial Reporting Council's (FRC's) web-site at www.frc.org.uk/auditscopeukprivate.

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 2013 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 Age UK Services 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, 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



Marianne Fallon (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

27 September 2013

Chartered Accountants
1 Forest Gate
Brighton Road
Crawley
RH11 9PT

Profit and Loss Account
For the year ended 31 March 2013

	Note	2013 £'000	2012 £'000
Turnover	2	465	712
Cost of Sales		-	-
Gross profit		465	712
Management fee income		21,737	21,320
Costs recharged to Age UK in respect of prior years		-	118
Costs recharged to Age UK		-	100
Administrative expenses		(21,120)	(20,513)
Consultancy and legal costs recharged to Age UK		-	(100)
Operating Profit		1,082	1,637
Interest payable and similar charges		-	-
Profit on ordinary activities before taxation	3	1,082	1,637
Taxation on profit on ordinary activities	5	(38)	-
Profit on ordinary activities after taxation		1,044	1,637
Gift Aid Payable		(960)	(1,700)
Retained profit/(loss) for the financial year		84	(63)

All transactions arise from continuing operations

There were no recognised gains or losses other than the profit/(loss) for the year

The notes on pages 11 to 16 form part of the financial statements

Balance Sheet
At 31 March 2013

	Note	2013 £'000	2012 £'000
Current Assets			
Debtors	6	4,205	6,043
Cash at bank and in hand		21	29
		4,226	6,072
Creditors - Amounts falling due within one year	7	(4,224)	(6,154)
Net current assets/ (liabilities)		2	(82)
Provisions for liabilities and charges	8	-	-
Net assets/ (liabilities)		2	(82)
Capital and reserves			
Called up share capital	9	-	-
Profit and loss reserve	10	2	(82)
Equity shareholder's funds		2	(82)

Company registration number 06838416

The notes on pages 11 to 16 form part of the financial statements

The financial statements on pages 9 to 16 were approved by the Board of Directors and signed on its behalf by



Tom Wright
 Director
 18 September 2013

Notes to the accounts *(forming part of the financial statements)*

1 Accounting policies

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The following principle accounting policies have been applied:

The directors have reviewed the financial position of the company at the balance sheet date, as well as forecasts for twelve months from the date of signing these accounts and conclude that the going concern basis of preparation is appropriate.

Turnover

Turnover comprises the amounts received and receivable for all services provided and trading income generated net of VAT. All activities are carried out in the United Kingdom.

Cash flow statement

The company is a wholly owned subsidiary of Age UK, a charity registered in England. Age UK prepares and files a consolidated cash flow statement which includes the cash flows of the company. The company has taken advantage of the exemption provided by FRS 1 (revised) from preparing its own cash flow statement.

Tax

Deferred taxation would normally be recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

However, deferred tax assets and liabilities are not recognised as the company has a policy to eliminate taxable profits by making gift aid payments and therefore no asset or liability is likely to arise.

Gift Aid

Gift Aid payments to the parent charity, representing an estimate of the company's taxable profits for the period, is charged in full to the profit and loss account. Under the current Gift Aid arrangements, all current and future taxable profits are payable to Age UK.

Provisions

Provisions for future liabilities are recognised when there is a legal or constructive financial obligation that can be reliably estimated and for which there is an expectation that payment will be made.

Notes to the accounts (continued)

Retirement benefits schemes

Defined Contribution Scheme

Contributions are charged to the profit and loss account as incurred. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined Benefit Scheme

Certain employees of the company are members of the Age UK defined benefit scheme. The scheme is closed to new entrants and further accruals.

Payments are made to a pension trust, which is separate from the company and the Age UK Group.

Within the Age UK Group it is not possible for each employer to identify its share of the underlying assets and liabilities in these schemes on a consistent and reasonable basis and therefore as required by FRS17 9(b) it is treated as a defined contribution scheme. Disclosure for the schemes as a whole can be found in the Age UK Group accounts. All revenue items and gains and losses in relation to these schemes are borne by Age UK.

2 Turnover

	2013 £'000	2012 £'000
Corporate sponsorship and commissions	465	712

3 Profit on ordinary activities

The profit on ordinary activities before taxation is stated after

	2013 £'000	2012 £'000
Auditor's remuneration		
Audit of these financial statements	13	13
Other services relating to taxation	25	22

Notes to the accounts

(continued)

4 Staff numbers and emoluments

Staff costs during the year

	2013 £'000	2012 £'000
Wages and salaries	10,135	9,304
Social security costs	1,044	1,048
Pension costs	681	652
Redundancies	260	51
	<u>12,120</u>	<u>11,055</u>

Average number of people employed by Age UK Services Limited

	Number	Number
Staff and Managers	288	270

Director's remuneration

	2013 £'000	2012 £'000
Directors emoluments	780	527
Pension costs	90	57
	<u>870</u>	<u>584</u>

The remuneration of the highest paid director amounted to a total of £185,537 (2012 £180,799) No amounts were received or receivable by the director under long term incentive schemes Company contributions paid or treated as paid into a defined contribution pension scheme in respect of the director's qualifying services amounted to £35,062 (2012 £30,337) for the year The highest paid director did not participate in the defined benefit pension scheme in either financial year

Notes to the accounts

(continued)

5 Taxation

Age UK Services Limited distributes its profits to the parent Age UK (company limited by guarantee) by way of gift aid

Reconciliation of current tax charge

Profit on ordinary activities before tax and Gift aid	1,082	1,637
Tax on profit on ordinary activities at standard CT rate 24% (2012 26%)	260	426
Effects of		
Income not taxable	-	(85)
Capital allowances in excess of depreciation	-	(7)
Unrelieved tax losses and other deduction arising in the period	-	54
Depreciation in excess of capital allowances	-	-
Expenses not deductible for tax purposes	7	-
Capital items expensed in excess of capital allowances	1	-
Gift Aid	(230)	(388)
Current tax charge for the year	<u>38</u>	<u>-</u>

6 Debtors

	2013 £'000	2012 £'000
Trade debtors	95	89
Amounts owed by group undertakings	3,455	5,275
Tax and social security	149	388
Other debtors	480	254
Accruals and deferred income	26	37
	<u>4,205</u>	<u>6,043</u>

Notes to the accounts

(continued)

7 Creditors – Amount falling due within one year

	2013	2012
	£'000	£'000
Amount due to group undertakings	2,385	3,740
Gift aid due to Parent	960	1,491
Accruals and deferred income	841	923
Tax and Social Security due	38	-
	<u>4,224</u>	<u>6,154</u>

8 Provision for Liabilities and Charges

	2013	2012
	£'000	£'000
Provisions at 1 April	-	20
Charged in the year	-	(20)
Provisions at 31 March	<u>-</u>	<u>-</u>

No provision for liabilities and charges has been made in the year (2012 nil)

9 Called up Share Capital

	2013	2012
	£	£
Alloted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
Shares classified in shareholder's funds	<u>100</u>	<u>100</u>

Notes to the accounts

(continued)

10 Reconciliation of movement in Shareholders' Fund

	2013	2012
	£'000	£'000
Profit/(loss) for the financial year	84	(63)
Opening shareholder's funds	(82)	(19)
Closing shareholder's funds	<u>2</u>	<u>(82)</u>

11 Capital Commitments

The company had no capital commitments at 31 March 2013 or 31 March 2012

12 Contingent Liabilities

There were no contingent liabilities at 31 March 2013 or 31 March 2012

13 Transactions with directors and other related parties

There were no related party transactions during the year. The company has taken advantage of the exemption in FRS 8 from disclosing transactions with the Age UK and other wholly owned companies within the group

14 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, and registered charity number 1128267

15 Retirement benefits schemes

During the year the group has operated three schemes

(a) One defined contribution pension's scheme for which the contributions are charged to the profit and loss account as incurred. The assets of the scheme are held separately from those of the company and independently administered. Contributions expensed by Age UK Services in the year amounted to £680,913 (2012 £651,875)

(b) Two defined retirement benefit schemes, both closed to new entrants, have been serviced in the year by Age UK (Age UK Services' immediate parent) providing defined benefit pensions for employees of the Age UK Group. During the year the schemes have been merged into one scheme with two sections

Contributions are based on the pension cost for the group as a whole and the company is unable to identify its share of the underlying assets and liabilities. There are current employees of Age UK Services that are beneficiaries to this scheme. Contributions expensed by Age UK Services in the year were nil (2012 nil)

Full FRS 17 disclosure of these schemes is available in the consolidated accounts of Age UK