

Elderly Accommodation Counsel

Registered charity

Company limited by guarantee

Report and Financial Statements for the year ended 31st December 2010

Company Registration Number 1955490

Charity Registration Number 292552



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Elderly Accommodation Counsel

Report of the Trustees

for the year ended 31st December 2010

Declaration

The Trustees present their report and financial statements for the year ended 31 December 2010. The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by charities" issued in March 2005, applicable law and the charity's governing document.

1. Introduction

This report is provided by the Trustees of Elderly Accommodation Counsel (EAC), charity no 292552, whose registered office is at 3rd Floor, 89 Albert Embankment, London SE1 7TP. EAC is also a registered Company (no 01955490) private, limited by guarantee and with no share capital.

The charity's Trustees in the year were Dr Mervyn Kohler (chair), James Lewis, Christopher Manthorp, Professor Ann Netten, Steve Onger and Meghan Zinkewich-Peotti. No changes were made to the composition of the Board during the period. The Board of Trustees met on four occasions. Trustee and Staff away days were held to review specifically activity and risk. A preliminary Risk Matrix was considered by the Trustee Board at the half year and a survey of Trustees views on current and future activity, development of FirstStop, income and expenditure, funding commitments, governance and the capacity of the Board to oversee further development in 2011-12 was undertaken during the second half of the year. The findings from this are intended to help guide Trustee roles and recruitment in 2011-12.

Between Trustee meetings the chief executive and chair continue to meet and consult frequently. A regular bi-monthly Trustee update on the charity's activities will be introduced in mid 2011. The Government's commitment to The Big Society, the contraction of funding programmes and the need for charities to develop more effective entrepreneurial capabilities is recognised in the Board's wish to strengthen its own expertise. In 2011-12 new Trustees are likely to be recruited from fields in which the charity's activities are developing but in which it currently lacks experience. Media, CSR, Finance and Customer Facing Services were identified in the Trustee survey.

At year end the charity employed 10 payroll staff and 12 regular consultants and was led by its chief executive John Galvin. The charity recruited consultants with expertise in housing, I&A, financial services for older people and in business development to support its' activity during the year. EAC appointed and was well served in a year characterised by reorganisation, the complexities of intellectual property rights and contractual agreements and by its determination to equip itself to meet the financial and accountancy challenges ahead by appointing Bates Wells Braithwaite and Sayer Vincent as its legal and financial advisers respectively.

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2. New Challenges, New Directions

FirstStop

FirstStop is the charity's main vehicle for delivery of information and advice (I&A) to the public. Activity in the year continued to be affected by the impact of recession on housing and care but more so by the uncertainty affecting policy and funding programmes following the General Election. This was felt most sharply in the uncertainty affecting the continuing funding of FirstStop. The future of FirstStop still remained unclear as the year closed with Ministerial decisions on funding not then expected until March/April 2011*.

Notwithstanding the prospect of electoral change, the charity took the momentous decision in the first quarter of the year to formally initiate and conclude a revised 'ownership' structure for FirstStop in which EAC alone would take future responsibility for its services, funding, IPR and future development. Professional advice was sought from the charity's solicitors and DCLG was supportive of the new arrangements in which Help the Aged, NFHA and Counsel & Care effectively withdrew from executive and operational involvement in FirstStop. DCLG agreed to contract henceforth with EAC as the fund holder and sole operator.

This has proved a transformative step in the development of the charity's I&A services. A senior management team was recruited by the half year and activity in the second half of 2010 focused strongly on building local partnerships and reglvanising regional and local exemplars. This was aided by the very effective management support provided in four areas by Care & Repair England. FirstStop also built a strong local delivery relationship in the year through Foundations. Home Improvement Agencies managed 3 of the local exemplars. The continuing evaluation by CCHPR (Cambridge Centre for Housing & Planning Research) has been positive and encouraging. The success of FirstStop in helping to promote downsizing was a notable achievement for the new management team.

Senior management time was invested in developing the groundwork for a range of local authority and local community based service partnerships. A new FirstStop telephone I&A service was established in dedicated space acquired next to the EAC offices and provides the focus for EAC's graduation of its long standing telephone service (dealing with 18,000 direct enquiries in the year) to FirstStop. This process of graduation was developed further in the first stage integration of the EAC and FirstStop websites towards the end of the year. This has proved a significant stroke in exposing FirstStop services to the 13,000 people who visit www.housingcare.org each day -2 million in the year. It now provides a shorter and more effective route to information and guidance.

*(Note: It has since been confirmed but at a reduced level of 80% of the previous year's DCLG grant)

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for the year ended 31st December 2010

Information Services

EAC jointly produced with Special Report Publishing for the first time a tabloid style newspaper -*My Life* -which 're-launched' the new EAC-driven FirstStop in The Sunday Telegraph in May reaching over 700,000 readers. 2010 also saw the charity add further to its information services with the creation of a *Home Services Directory* which provides guidance *locally* for older people who choose to remain living independently in the community. This covers everything from domestic and social care services available in the local area to building services, aids, adaptations, removals and transport. The charity continues to work very hard to keep its information and advice services up to date through continuous surveys and by pressing housing providers and managers to complete its questionnaires.

Housing Awards

'Sell-out' preparations for the second EAC *National Housing for Older People Awards* were completed in December ahead of the Ascot event scheduled for February 2011. A new computer model was created by EAC to process and evaluate information provided through the nominations process. At year end, nominations for the Awards had been submitted by over 3,500 residents of retirement housing making over 130,000 ticks in the score boxes. 4,500 individual and group score sheets were entered into the computer to determine the 34 finalists. Residents from across the UK voted for their housing schemes, their retirement communities, and their management and services - determined to make the professionals listen. Entries were 64% up on 2009. We were delighted that the core sponsors in our inaugural year continued to support the Awards throughout 2010. We would like to record our gratitude here to DCLG, DH Care Networks, Nationwide Building Society and to Legal & General for committing their generous support and advice so early in the year which gave us the certainty to plan the 2011 event with confidence.

Art Awards

2010 was a year of transition for Art Awards. The 2009 event at the Bankside Gallery had taken place very late in the year in December. This provided a breathing space to step back from the format of the previous 17 Awards and reassess how Art Awards should and could progress. This assessment centred on location, timing, funding and organisation. It was decided quickly to defer a 2010 event while this review was under way. To maintain continuity of interest with the Art Awards 'community' a modest photography competition was held mid-year. Updates were provided through the website. Following her debut in 2009 Marg Millington took on the leadership of Art Awards in 2010 ably assisted by a second volunteer Rosalind Barnes. Both brought huge energy and enthusiasm to the planning process throughout 2010. Marg did much to transform the website. The role of our professional team Parker Harris was reduced enabling some cost savings but with Siobhan Kneale continuing to provide support on logistics. The most significant change was the decision to hold Art

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Awards out of London for the first time. After many months of visiting and assessing alternative venues the gallery of the Royal Birmingham Society of Artists was selected for the deferred event scheduled for May 2011. We hope this will encourage wider engagement with the Awards. The success of the People's Choice vote in 2009 provided further encouragement to promote *on line* interaction in 2010-11. Cuts in public expenditure and in the Arts funding made competition for sponsorship difficult. The charity resolved to re-plan its Arts Awards financial strategy after May 2011. The chief aim for 2012 is to secure a single core sponsor.

Partnership & Enterprise

2010 proved a significant watershed in our efforts to promote partnering within EAC and FirstStop. Changes in the policy and funding landscape, the promotion of The Big Society and an emphasis on 'localism' have driven the need for small charities like EAC to optimise their scarce resources and to explore common purpose with like-minded organisations across the independent and private sectors. FirstStop has had from the outset an obligation to build local partnerships in particular and to foster new forms of service delivery including social enterprise. It continues to do this. In the second half of the year EAC sought to develop the notions of partnership and enterprise at a national level. Following approaches from ERoSH (Essential Role of Sheltered Housing), the ARHM (Association of Retirement Housing Managers) and tentatively from ARVO UK (Association of Retirement Village Operators UK) the charity's draft model for a range of 'collaboration' evolved as Big Tent – essentially a proposal for recalibrating EAC (people, resources, priorities) to enable it to attract and diversify income by providing services such as research, web hosting, policy briefings, representation, membership and recruitment services and administrative support to organisations with similar interests but unable to sustain these independently. The model evolved quickly and in some detail. Draft service agreements were explored with ERoSH and ARHM. Discussions were ongoing at year end but it was evident also that synchronising EAC's needs and interests with (any) third parties would have opportunity costs that might divert the charity from other priorities. The lack of a decision from DCLG on continuity of funding for FirstStop rendered EAC unable to strike any firm commitments.

Material progress was made elsewhere however and it is possible that Big Tent may yet develop a form in 2011 different from that envisioned in 2010. A practical example of the merits of partnership was demonstrated in the forming of a 'strategic alliance' between Help & Care and EAC (FirstStop) to tender jointly for home improvement services being hived off by Anchor. The combination of Help & Care's experience of home improvement services and its local and regional strengths in East Sussex and Bournemouth/New Forest with EAC's strength in information and advice, telephony and IT and its control of FirstStop was a practical illustration of how common interests could come together. The tender was lost to one of the UK's largest (private sector) home improvement businesses but

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the relationship with H&C continues to develop and it is likely in 2011 that FirstStop will devolve some of its I&A service arrangements to its partner.

Towards the end of 2010 the future of one of EAC's most important 'partners' –the Department of Health's Housing LIN –was under review and looked certain to terminate in March 2011. EAC and Housing LIN have worked together very closely and very successfully for nearly 10 years. The charity played a key part in helping to administer the DH Extra Care Housing programme led by Housing LIN. At the end of 2010 active discussions were under way between EAC and colleagues in Housing LIN to explore how their joint work could sustain beyond March 2011 if DH brought Housing LIN to a close.

In the second quarter of the year the charity produced *In Good Company* -a manifesto aimed at companies with a strong CSR outlook. Its launch was set back mid -year by our focus on FirstStop. The last quarter of 2010 saw a renewed effort to identify grant funding and CSR opportunities intended to build on recent achievements with Nationwide and L&G. 2011 will see the development of a planned and far reaching Commercial Strategy at the heart of which will be a drive for Awards sponsorship, research commissions, fee-based employee information and training programmes, sale of publications and advertising space, service agreements and corporate partnership.

Web Development

Work on our websites moved ahead rapidly during the year, driven in large part by the demands of the FirstStop enterprise and made possible through continued investment by the Department of Health via an Innovation, Excellence and Service Development grant. EAC's well established site www.HousingCare.org and the comparative youngster www.FirstStopAdvice.org.uk were joined to allow seamless transition between them. www.EacArtAwards.org.uk was further developed to support an increasingly popular online dimension to participating in the annual EAC Over 60s Art Awards competition, and the charity's main site, www.eac.org.uk received a visual makeover. Our new Home Services Directory became the first EAC dataset to be compiled entirely online, with contributions invited from all eligible service providers and plans to extend this to service users.

Other key workstrands were designed to increase the efficiency of our FirstStop Advice service particularly through enhancements to our CRM (customer relations management) system, introduction of a 'live chat' service and development of a simple and marketable system for producing customised printed reports for clients.

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3. Legal and Financial Report

Our Charitable and Business Activities

EAC's financial year end is 31 December 2010. In order to further develop activity, services and opportunities EAC continues to ensure that its day to day finances are healthy, its accounting procedures are in proper order and that it is alert to the strategic issues involved in treasury management and tax planning. EAC is both a registered Charity (no. 292552) and a registered Company (no 01955490) private, limited by guarantee and with no share capital. EAC is also registered for VAT with HM Revenue & Customs (HMRC) (VAT reg. no. 386 3167 27). EAC was most recently VAT inspected in mid-2007; no issues were raised during the visit or subsequently reported upon. A separately registered company, HousingCare Services Ltd. (no 06254681), currently remains dormant and is therefore not yet registered for VAT. However, EAC is likely to explore in the foreseeable future ways and means in which this vehicle might serve the future needs and development of the charity.

EAC's charitable activity is largely delivered through FirstStop, in partnership with other organisations, and entails providing a number of advice and information services to older people assisting them with their housing and care options when they reach a point where they need guidance and support. The service is independent and free of charge. The advice and information given is impartial. EAC maintains a continually updated database of virtually all private and public housing for later life and care homes in the UK. This is the basis of the information provided to the public and others and the source of the data services from which EAC generates income.

EAC's business activities are mostly in providing data and support services to other organisations. This can range from commissions from private developers requiring local market intelligence, to advertising vacancies in older people's housing on its website, to providing content for third party websites and to providing government with services relating to a shared information network project. Any surplus from this business activity is used to make up any deficit incurred by EAC's charitable activities. There is currently no legal or structural separation between EAC's charitable and non-charitable activities. EAC has a Chief Executive responsible for the whole organisation. Some salaried staff and non-salaried consultants work entirely on the charitable side – others span both sides.

Public Benefit

In setting the charity's objectives, the Trustees have paid due regard to the Public Benefit guidance published by the Charity Commission. How the charity fulfils this responsibility is contained in the various sections of this report.

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Report of the Trustees

for the year ended 31st December 2010

Financial Out-turn

The presentation of our accounts for the year has changed significantly to reflect EAC's new responsibilities in relation to DCLG's grant support for FirstStop. Whereas in 2009 DCLG grant was shown only in the Balance Sheet as funds managed by but not belonging to EAC, this year they appear as restricted income in the SoFA.

Restricted income is also boosted by sponsorship and grant support for the EAC National Housing Awards and our DH-funded Innovation & Excellence Programme, and unrestricted income by core funding from the Henry Smith Charity and website sponsorship and advertising revenues. The overall impact is to increase EAC's headline income more than threefold, but within this to increase the restricted proportion from last year's 47% to 79%.

We report a surplus of £4,782 in unrestricted funds for the year and at year end our unrestricted reserves stood at £139,982, a little above the target of £125,000 set in our current Reserves Policy.

Reserves Policy

EAC intends in 2011 to review and update the policy established in 2003 which aims to achieve unrestricted reserves of £125,000.

Treasury Management

Funds managed by EAC in the year to December 31st 2010 were in excess of £3 million, of which £2½m appears in the SoFA and £598k only in the Balance Sheet. Some two thirds of the former were restricted grant funds from DCLG for FirstStop. The latter is funds held on behalf of the Department of Health (DH) – see below. The DH funds are held in EAC's bank accounts (deposit and current) and are subject to the same safeguards and controls as all other funds. Controls and procedures were reviewed during the year. In addition, a full statement of activity, balance and use is provided to each funding body to an agreed schedule and format.

Balancing the requirement to maximise the return on these funds with the need to meet unpredictable demands for liquidity proved challenging – the more so in respect of DH funds following the election in May and subsequent changes in political priorities. However the outlook in early 2011 looks more settled and we are continuing to review how best to manage these funds during the current year in order to take advantage of gradually increasing interest rates.

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DH Care Networks

Since February 2003, the Charity has been entrusted with holding and administering two funds on behalf of the DH Care Networks – one intended to maintain its Housing Learning & Improvement Network (Housing LIN), the other to fund the management of its extra care housing capital investment programme. The administration of these funds are subject to contractual agreement with DH, which define their purposes, and also agreed protocols which govern the authorisation of expenditure from the funds. The amount of funds held on trust by EAC at 31st December 2010 is included in the Balance Sheet and separately identified in Note 7 to the Financial Statements.

DCLG grant funding for FirstStop Advice

During 2010 EAC became fund holder for grant provided by DCLG to support the development of FirstStop Advice. The funding was intended in roughly equal measures to support a FirstStop national advice line provided by EAC and to provide financial assistance to local partner projects. The balance of funds held by EAC at 31st December 2010 was scheduled to be spent by the end of the grant accounting year (March 2011).

We believe our financial management systems to be accurate, timely, robust and efficient. We recognised that the growing complexity of EAC operations and the level of treasury management required by the increased scale of funds we were now dealing with created a need for both operational flexibility and ongoing review. We initiated measures to address this and to extend the professional advice and guidance available to us. We reviewed our financial control and compliance procedures and, in the light of our increased fund holding responsibilities, increased the robustness of our risk management systems.

We also made the decision to commission a review of the charity's overall VAT and tax position; take advice as to how best to structure it to maximise its VAT and tax efficiency; and review how our then current, planned and potential spheres of activity and sources of income should best be organised to meet our needs.

Risk Management

As the charity's profile and reputation have increased we have paid increasing attention to identifying, quantifying, mitigating and managing risk. During the year we focused particularly on risks associated with our role as fund holder for the FirstStop partnership, and as a consequence initiated discussions with its main funder (DCLG) to streamline and simplify lines of accountability. These resulted in the transfer of responsibility for holding and accounting for DCLG funding to EAC alone from April 2010.

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We also strengthened the management of our FirstStop grant-funded business stream by appointing a Senior Management Team responsible directly to our Chief Executive, and recruited expert legal, financial, business development and public relations advisors to work with us across all our activities.

The risk of DCLG investment in FirstStop ceasing in March 2011 also preoccupied us in the months following the national election and subsequent cuts in Government spending. We invested considerable effort in strengthening the business case for continued grant support, but also in contingency planning for other scenarios.

Continuing into 2011 the appraisal and management of risk has become a priority for the charity, reflected in its inclusion as a standing item at all Board meetings.

4. Structure, Governance and Management

Trustees

EAC's Trustees are appointed by invitation of the Board, informed by a skills audit first undertaken in 2000 and reviewed during 2005 and again in 2006. A further review was undertaken during 2010 and recommendations for strengthening and further engaging the Board will be implemented mid 2011

The Charity has developed and maintains a 'Trustee Information Pack' designed to:

- explain the legal and financial responsibilities of Trustees;
- inform them how EAC's Board of Trustees operates, including the function of sub-groups;
- appraise them of the Charity's current policies, procedures and plans.

During the year:

- A Risk Assessment was undertaken on behalf of the Board during the year, setting out the charity's challenges, constraints and opportunities, and a process of risk appraisal, review, mitigation and management set in place involving all Trustees on a regular basis.
- The Board acted on the recommendations of the chief executive to put in place expert professional advice from (legal) Bates Wells Braithwaite and (financial) Sayer Vincent.
- A day long 'awayday' meeting of Trustees and senior staff was held and a schedule of similar overview sessions planned through 2011.
- Messrs haysmacintyre were retained as Auditors, and also continued to provide financial overview services.

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Report of the Trustees

for the year ended 31st December 2010

Trustees' responsibilities

The trustees (who are also directors of the Elderly Accommodation Counsel for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Staff and Staff Responsibilities

At year end the Charity employed 10 payroll staff and 12 consultants on a regular basis, totalling roughly 16½ full time equivalents (FTEs). John Galvin is chief executive of EAC and of FirstStop, dividing his time between the two. Daniel Pearson, Sue Terry, Phillip Spiers and Phil Prasad form, with John Galvin, the FirstStop senior management team (SMT) established in May. Phil Prasad is also EAC's Finance Director. Kelly Haines was recruited during the year as Operations Manager of the

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Report of the Trustees

for the year ended 31st December 2010

Advice Line team and is supported both in-house and remotely by longstanding EAC advisers and by newly recruited FirstStop staff. Julie Adams was recruited as Development Manager with functions across FirstStop and EAC. Alex Billeter heads R&D at EAC and leads Housing Awards. With Phil Prasad he also deputises for the Chief Executive in matters of EAC business. Blanche Beavan is EAC's Company Secretary. Jerome Billeter was seconded during the year to the Housing LIN. IT development and support is provided by John Dillon (AccuWeb) and John Wigley and data management by Shaun Brewer. Michael McCarthy (Workhouse Ltd) provides strategic advice across business development, income generation, PR, communications and marketing.

Thank You to Trustees and Staff

We owe a great debt of thanks to our Trustees who once more gave freely of their time, advice and expertise throughout the year and to our staff for their unstinting commitment to the charity and the people and organisations it serves. Their efforts have been all the more impressive and valued in a year of such momentous internal and external change.

The Trustees would like to record their thanks again to the EAC Advice Team (John Plimsoll, Dominic Regan, Frances Auger, Debbie Currivan and Nick Coote) during a period of significant transition. The new FirstStop development team (Daniel Pearson, Sue Terry, Phillip Spiers, Stephen Hughes, Kel Hains and Julie Adams) drove the FirstStop venture forwards, and Jerome Billeter continued his productive secondment to the Housing LIN. We are grateful for the continuing invention and diligence of John Dillon and John Wigley in providing EAC and FirstStop with the technical structure to meet our growing online service to consumers and partners. Marg Millington came on board in 2009 as a volunteer to help develop Art Awards and made such an impression that we invited her lead Art Awards in 2010. We were delighted to welcome Rosalind Barnes this year as her co-organiser. Both are volunteers and their time is greatly appreciated. Val Gorter continued to serve EAC as effectively as ever and this year we have also been fortunate to recruit Shaun Brewer to develop further our data analysis systems. This is already having a transformative impact on Housing Awards, which Alex Billeter and Michael McCarthy led to a second successful finale early in 2011. Phil Prasad, ably supported by Agnieszka Majewska, continued to manage the charity's increasingly complex finances, including reporting to funders and Trustees alike. Blanche Beavan is now in her second year as Company Secretary and a valued support to EAC. Finally we would like to restate the immense value to EAC of John Galvin without whom our small charity could not punch so far above its weight. Thank you all very much.

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for the year ended 31st December 2010

5. Looking ahead to 2011

The grant settlement with DCLG announced in May 2011, and foot-noted on page 2 above, was extremely welcome news and underscores the leading position of EAC in its field. It indicated endorsement of our 4 year business plan for FirstStop Advice and accompanying proposal for tapering public funding over that period, and committed a total of £1.5m over the first two years. During 2011-12 DH during will also provide its final year of financial support for our complementary programme of work to build our IT capacity, whilst The Henry Smith Charity will continue to fund one of our Advisors.

The charity's immediate prospects are therefore reasonably bright, but we face the challenge of rapidly building new income streams to offset reducing and terminating grant funding streams. In addressing this challenge we will aim to gradually rebuild the balance of charitable and other sources that characterised our income profile in the years before we won seed funding for FirstStop Advice, first from the Big Lottery Fund and latterly from DCLG.

This provides me with an opportunity to mention again the contributions that new sponsors have already made to expanding the range and scale of the Charity's activities, and to reaffirm our intention to continue to seek out and partner with companies whose commercial and CSR visions fit well with EAC's charitable mission. Our *National Housing for Older People Awards* was made possible by sponsorship offered by Legal & General and Nationwide – alongside DCLG and the Housing LIN. We look forward to consolidating existing relationships and forging new partnerships through 2011 and beyond. EAC has always been outward-looking, and I believe its willingness to engage with partners in all sectors, and its record of delivering on commitments made to them, will continue to stand it in good stead.

Signed on behalf of the Board of Trustees

Mervyn Kohler, Chair of Trustees

25th May 2011

Elderly Accommodation Counsel

Independent Auditors' Report

for the year ended 31st December 2010

Independent Auditors' Report to the members of Elderly Accommodation Counsel

We have audited the financial statements of Elderly Accommodation Counsel for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable 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 charitable 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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Independent Auditors' Report

for the year ended 31st December 2010

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom 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 Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Bernie Watson (Senior statutory auditor)

for and on behalf of haysmacintyre, Statutory Auditor

..... 2011

Fairfax House
15 Fulwood Place
London
WC1V 6AY

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Statement of Financial Activities

for the year ended 31st December 2010

INCOME AND EXPENDITURE

Incoming resources	Notes	Unrestricted	Restricted		Total 2010	Total 2009
			Others	FirstStop		
<i>Incoming Resources from generated funds</i>						
Investment Income		2,770	-	-	2,770	6,167
<i>Activities in furtherance of the charity's objects</i>						
Charity Services	10	238,368	-	-	238,368	174,725
Research & Development	8 & 10	277,534	79,806	-	357,340	352,999
Housing Awards	8	-	145,104	-	145,104	-
FirstStop	8	-	-	1,745,130	1,745,130	163,800
ArtAwards	11	7,227	-	-	7,227	-
Total incoming resources		525,899	224,910	1,745,130	2,495,938	697,692
<i>Less: Cost of generating funds</i>						
Fundraising and publicity	2	12,443	-	-	12,443	18,716
Net incoming resources		513,456	224,910	1,745,130	2,483,495	678,976
Charitable Expenditure						
Charity Services	1	320,670	-	-	320,670	197,926
Research & Development	1	171,508	75,440	-	246,948	299,508
FirstStop	1	-	-	1,611,182	1,611,182	163,800
Housing Awards	1	-	140,558	-	140,558	-
ArtAwards	1	12,296	-	-	12,296	-
Governance costs	1	4,200	-	-	4,200	3,950
Total charitable resources expended	1	508,674	215,998	1,611,182	2,335,854	665,184
Total resources expended	1	521,117	215,998	1,611,182	2,348,297	683,901
Balances on Restricted Funds carried forward		-	8,912	133,948	-	-
Net movement in funds before transfers		4,782	8,912	133,948	147,642	13,791
Transfer between funds		-	-	-	-	-
Net movement in funds		4,782	8,912	133,948	147,642	13,791
Funds balance brought forward at 1 January 2010		135,200	-	-	135,200	121,409
Funds balance carried forward at 31 December 2010		139,982	8,912	133,948	282,842	135,200

* All transactions are derived from continuing activities.

* All recognised gains and losses are included in the statement of financial activities.

* The accompanying notes form part of these accounts.

Elderly Accommodation Counsel

Balance Sheet

Company Number 1955490

for the year ended 31st December 2010

At 31st December 2010

	Notes	2010		2009	
		£	£	£	£
FIXED ASSETS					
Intangible fixed assets	5 b)	1	1	1	1
Tangible fixed assets	5 a)	0	0	0	0
CURRENT ASSETS					
Debtors	6	34,665		65,188	
Cash at bank and in hand		<u>1,031,834</u>		<u>863,778</u>	
		1,066,499		928,966	
CREDITORS: amounts falling due within one year					
	7	<u>-783,658</u>		<u>-793,767</u>	
NET CURRENT ASSETS			282,841		135,199
NET ASSETS			<u>282,842</u>		<u>135,200</u>
FUNDS					
Unrestricted funds			139,982		135,200
Restricted Funds			<u>142,860</u>		<u>0</u>
			<u>282,842</u>		<u>135,200</u>

The Financial Statements were approved and authorised by the Board on 25 May 2011 and were signed on its behalf by:

M. Kohler
Chair

C. Manthorp
Trustee

* The accompanying notes form part of these accounts.

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Accounting Policies

(a) Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) issued in March 2005 and with applicable accounting standards.

(b) Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Restricted funds are funds subject to specific trusts which may be declared by the donors or with their authority, but are still within the objects of the charity.

(c) Incoming resources

Income from charitable activities includes income received from grant funding or received under contract. Grant income and donations included in this category are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Charitable expenditure consists of costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Central overheads are allocated to charitable activities and fundraising functions on the basis of their use of central support services.

Governance costs include expenditure on the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

(e) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Office equipment – 25% per annum

Cost of computer equipment is expended in the year which it is incurred.

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

(f) Amortisation of Database costs

The value of the charity's accommodation databases have been capitalised and amortised to a nominal value of £1 so as to comply with Financial Reporting Standard No. 10; Goodwill and Intangible Assets. However they remain a unique and indispensable asset without which the charity could not fulfil its primary purpose, and from which the charity derives considerable income to support its charitable activities.

(g) Cash flow

The financial statements do not include a cashflow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard No. 1.

(h) Operating leases

Operating lease rentals are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Note 1 - Analysis of total resources expended

	Staff costs	Overheads	Other direct costs	Total 2010	%
<i>Less: Cost of generating funds</i>					
Fundraising and publicity	10,440	2,003	-	12,443	1%
<i>Charitable activities</i>					
Charity Services	222,931	97,739		320,670	14%
Research & Development	179,796	67,152		246,948	11%
FirstStop			1,611,182	1,611,182	69%
Housing Awards			140,558	140,558	6%
ArtAwards			12,296	12,296	1%
Governance costs		4,200		4,200	0%
Total	413,167	171,094	1,764,036	2,348,297	100%

Overheads

	Management	Office costs	IT	Total 2010	Total 2009
Fundraising and publicity	2,003	-	-	2,003	14,176
Charity Services	35,348	45,501	16,890	97,739	65,791
Research & Development	13,351	18,572	35,229	67,152	117,496
Governance costs	4,200	-	-	4,200	3,950
	<u>54,902</u>	<u>64,073</u>	<u>52,119</u>	<u>171,094</u>	<u>201,413</u>

Included in Governance costs are:-

	2010	2009
Auditors Remuneration	4,200	3,950
Reimbursement of expenses to Trustees	-	-
	<u>4,200</u>	<u>3,950</u>

Note 2 - Fundraising and Publicity

	2010	2009
Art Awards	0	12,080
Other	12,443	6,637
	<u>12,443</u>	<u>18,716</u>
Net income raised	<u>301,099</u>	<u>239,132</u>

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Note 3 - Human Resources

	2010	2009
<u>Regular Payroll Staff</u>		
Gross Salary	292,588	208,943
Employer's NIC	29,737	21,584
Employer's Pension contributions	922	1,356
	<u>323,246</u>	<u>231,883</u>
<u>Consultants and occasional staff</u>	120,579	109,656
	<u>443,825</u>	<u>341,539</u>
Average number of employees in the year	10	7

Note 4- Trustees' Remuneration and Reimbursed Expenses

2010	2009
NIL	NIL

Note 5 - Fixed Assets

a) Tangible

	Office Equipment	Total
Cost or valuation		
At 1 January 2010	88,138	88,138
Additions	0	0
at 31 December 2010	<u>88,138</u>	<u>88,138</u>
Depreciation		
At 1 January 2010	88,138	88,138
Charge for the year	0	0
At 31 December 2010	<u>88,138</u>	<u>88,138</u>
Net Book Value		
At 31 December 2010	<u>0</u>	<u>0</u>
At 31 December 2009	<u>0</u>	<u>0</u>

b) Intangible

	2010	2009
Notional value of EAC datasets	1	1

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Note 6 - Debtors

	2010	2009
VAT recoverable	0	8,218
Trade debtors	20,555	24,084
Prepayments and accrued income	14,110	32,886
	<u>34,665</u>	<u>65,188</u>

Note 7 - Creditors: Amount falling due within one year

	2010	2009
Taxes & Social Security Costs	0	0
Funds held on behalf of DH LINs	598,549	341,107
Other creditors & accruals	178,973	122,546
FirstStop Funds Held	0	330,114
VAT payable	6,136	0
	<u>783,658</u>	<u>793,767</u>

Note 8 - Restricted Funds

The restricted funds relate to amounts received from:-	2010
*The Dept of Health Innovation & Excellence programme	79,806
** National Housing for Older People Awards	145,104
*** FirstStop	<u>1,745,130</u>
	<u>1,970,040</u>

*The Dept of Health Innovation & Excellence programme

** National Housing for Older People Awards restricted funds including funds received from DCLG, HLIN, other incomes from sponsorships and fees

***FirstStop restricted funds includes balance brought forward from 2009, funds received from DCLG, Big Lottery and other incomes from sponsorships and fees

All restricted fund balances at the year end are held in cash

Note 9 - Operating Lease Commitments

	Land & Buildings	Office Equipment
Leases expiring:		
Within 2-5 years	39,786	-

The figure for land & buildings is the remaining annual contractual commitment on the lease EAC holds on its office to March 2015

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Note 10 - Grants & Donations

	at 01/01/10	Incoming	Outgoing		at 31/12/10
			Grant	Reserves	
Dept. of Health (Innovation & Excellence)	17,875	82,575	61,931	0	20,644
Henry Smith Charity (core)	8,250	34,000	42,250	0	0
Client donations	0	22,691	22,691	0	0
Donations from Organisations	0	2,400	2,400	0	0
Housing Awards Grants Income	0	70,000	54,167	0	15,833
DCLG Grant for FirstStop	799,956	794,445	1,594,400	0	0
Big Lottery Fund for First Stop	0	83,400	83,400	0	0
Home Office for FirstStop	0	12,000	12,000	0	0
Donations for FirstStop	0	30	30	0	0
	<u>826,081</u>	<u>1,101,541</u>	<u>1,873,269</u>	<u>0</u>	<u>36,477</u>

The grant from the Henry Smith Charity covers a year to 31 March 2011 is towards core charitable costs. The balance of funds (£8,500) is included in unrestricted funds on the SoFA and will be spent in Q1 2011.

Note 11 - Art Awards

Art Awards income was generated by entry fees (£7,227) from older people submitting art for the competition held in May 2011. The entry period opened in August 201 and closed in April 2011. Entry fees shown are those received prior to the year end.

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Status

Elderly Accommodation Counsel (more usually known as EAC) is:

- A Company Limited by Guarantee no.1955490, registered under The Companies Act 1985
- An incorporated charity, no. 292552

The objects of the Charity are defined in its Memorandum and Articles of Association as “to promote the relief of the elderly by the provision of information and advice to those seeking to meet the needs of the elderly”.

The Charity is governed by a Board of Trustees, supported by a President and Life President. All of the Charity’s Trustees also serve as Directors of the Company.

A private limited company, Housingcare Services Limited, was registered in 2007, with the objects of carrying on any trade, business or undertaking with a view to raising funds for Elderly Accommodation Counsel.

Honorary positions

President	The Countess of Mar
Life President	Noel Shuttleworth
Founder Member	James Dreaper

Board of Trustees

Mervyn Kohler OBE (Chairman)

Mr James Lewis

Mr Christopher Manthorp

Professor Ann Netten

Mr Steve Onger

Ms Meghan Zinkewich-Peotti

Chief Executive & Secretary

John Galvin

Registered Office

c/o haysmacintyre, Fairfax House, 15 Fulwood Place, WC1V 6AY

Elderly Accommodation Counsel

Reference and Administrative Information

for the year ended 31st December 2010

Operational address

3rd floor, 89 Albert Embankment, London SE1 7TP

Auditors

haysmacintyre, Fairfax House, 15 Fulwood Place, WC1V 6AY

Bankers

Unity Trust Bank, Nine Brindleyplace, Birmingham B1 2HB

National Westminster Bank, 55 Kensington High Street, London W8 5ZG

CAF Bank, 25 Kings Hill, West Malling, Kent ME19 4JQ

Solicitors

Levine Mellins Klarfeld, 24-26 Church Road, Stanmore, Middlesex HA7 4AW

Bates Wells & Braithwaite London LLP, 2-6 Cannon Street, London EC4M 6YH