



advice and support for older age

**Independent
Age**



Annual report and accounts 2012

Launching
new 'ABC'
strategy to
2015



Photography by James Bell



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What an exciting year it has been. Following an initial period of 'bedding down' in the first few months after our merger with two other charities, Counsel and Care and the Universal Beneficent Society (UBS), the year marked the beginning of a fresh direction for the 'new and improved' Independent Age.

As we began to integrate our multiple services for older people, we established our simple but effective 'ABC' strategy to 2015, which condenses our work into three key areas: advice, befriending and campaigning.

When Independent Age came into being in 1863, it was a time when many faced a simple struggle to find the income to keep themselves alive and the charity - along with its sister charity UBS - responded by providing small regular incomes for life. But in the 21st century older people's needs are different. While state benefits now provide a safety net for those who need it, we are living so much longer than we used to and this brings a whole host of new challenges.

Our experience shows that the modern-day hazards for older people still include financial poverty, but often this is caused by the increasing issue of 'poverty of information' - lack of knowledge about rights and entitlements. This has been joined by a third poverty - lack of social contact, which can lead to loneliness and isolation. Never before have these issues been so apparent as the digital age has left a good portion of the older population behind, unable to access the wealth of information freely available on the internet, and changes in society mean many older people live on their own, without family or even good friends nearby.

Responding to these difficult challenges, 2012 saw the beginnings of our strategy to develop nationwide free and accessible advice and information services for older people, focusing on areas that have a tangible

impact - social care, benefits, social isolation and loneliness. This is being backed up by expanding our volunteer networks, allowing us to support the central services with on-the-ground practical support and befriending.

We are also making inroads towards our goal to become a well-known and dynamic voice for older people and their families and carers, campaigning vigorously for a fair deal - particularly around 'hidden' and unfair costs, such as third party top-up care home fees - and collaborating with partners, like Campaign to End Loneliness, who share our values.

I'd like to take this opportunity to thank all the staff for working together and enabling the successful completion of the merger, along with our Trustees, volunteers, supporters and partners. The charity's new direction is a decisive one and we are totally committed to ensuring it helps improve the lives of even more older people from across the UK.

Diana Brittan

Dame Diana Brittan
Chairman



Building on the transitional phase of 2011 - completing our merger with Counsel and Care and UBS, the sale of our care homes and subsequent organisational restructure - 2012 marked the launch of our new strategy. This focuses our efforts on the 'ABC' of advice, befriending, campaigning - developing top quality, UK-wide advice services, backed up by local befriending, and evidence-based campaigning to influence public policy and raise our profile.

As a result of these mergers, 10,000 older people, their families and carers are now receiving direct support from the charity, with another 25,000 accessing our *Wise Guides* and guides. We have worked hard in 2012 to establish firm foundations upon which we can build our ambitions to improve the quality of life for older people in need.

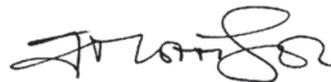
In order to extend the reach of our advice and information services, we recruited three additional advisers, including a manager, and have now broadened our expertise to cover social care, welfare benefits and social support. We also began work on expanding our popular *Wise Guides* series and revising our specialist guides to make them more accessible. Meanwhile, our befriending and support services underwent a review of its support structure and saw the biggest ever increase in volunteer recruitment to date in a single year.

The policy team welcomed the long-awaited draft Care and Support Bill and, as members of the Care and Support Alliance, responded fully, based on evidence from our services. We have also continued to develop positive partnerships - the Campaign to End Loneliness, of which we are a founder member, deepened its impact and credibility in 2012, and we co-hosted our inaugural Older People in the Media Awards with Barchester Healthcare to great success.

Meanwhile, we maintained our support to over 6,000 vulnerable older people from across the UK with a personalised package of care, sometimes including one-off grants for emergencies and, for older people we have supported for some years, regular financial payments.

Much work has begun to update and improve our support functions on all levels, from reviewing the Royal Charter to upgrading the ageing IT business systems. And, as we approach our 150th year of service in 2013, it feels very apt that we are also now looking forward to a head office move into a brand new refurbished building.

None of this would be possible without our dedicated staff, volunteers and supporters. Special thanks also go to Big Lottery Fund, Calouste Gulbenkian Foundation, City Bridge Trust, Comic Relief, Freemasons' Grand Charity, John Ellerman Foundation, and The Blagrove Trust for their generous funding over the year. We are incredibly enthusiastic about our new direction and look forward to seeing further impact in the coming years.



Janet Morrison
Chief Executive



Trustees' report

Introduction

Independent Age is a growing charity empowering thousands of older people across the UK and Ireland to live more fulfilling lives. Founded 150 years ago, we are an established voice for older people and their families, offering national advice on care and support, and alleviating loneliness with local befriending. We also use the knowledge and understanding gained from this to campaign for a fair deal in policy and practice. In this way, we are committed to having a positive impact on every older person, and to making older age more positive for everyone.

Our vision is a society where older people lead the lives to which they aspire and can contribute actively to their communities.

Our mission is to enable older people to lead independent and fulfilling lives.

We do this by:

- delivering to older people in need, their families and carers, information and advice on social care, welfare benefits, befriending services and other social support.
- providing one-to-one befriending and support to the individual, delivered to a consistently high standard.

Overview

Last year was critical for Independent Age, marking the launch of our 'ABC' strategy to 2015 that focuses on delivering:

- Advice
- Befriending
- Campaigning

Our strategic objectives 2012-2015

1. Advice and information

Provide information and advice (both public and personal) on social care, welfare benefits, befriending, social support and combating loneliness, to a consistently high standard of accuracy, practicality and ease of use.

Our free national advice and information services focus on welfare benefits, social care and also social isolation and befriending schemes - issues that affect most older people and have the greatest impact on their quality of life.

Advice team

Last year, the advice team, who offer introductory and detailed advice sessions over the telephone for members of the public, received 2,978 calls and 522



We expanded
our advice service
to increase
capacity

emails, and booked 1,401 follow-up appointments for more in-depth discussion. In order to increase capacity, we expanded the team with the recruitment of three new advisers, including a manager, and broadened their expertise to cover social care, welfare benefits and social support.

The top three issues brought to our advice service by members of the public in 2012 were:

- issues around third party top-up fees
- uncertainty over NHS funding of care
- issues around the financial assessment process when moving into a care home or receiving care at home.

Public information service

The public information service, which targets older people who may not be aware of their entitlements, started work on expanding our *Wise Guide* series, after receiving extremely positive feedback from the original, *Life-improving advice for the over-65s*. The new guides, *Extra help at home - essential advice for over-65s to live independently*, *Healthy, happy, connected - support and advice for older people living alone* and *Choosing and using a care home* (working title) are due to be published in 2013/early 2014. In total, we have distributed 14,500 copies of the original *Wise Guide* to older people, their families and health and social care workers.

Information service

We launched a new website to support the information service, which incorporates all our information and advice and includes a new 'frequently asked questions' section and A-Z search index for information in our *Wise Guide*. The website received almost 80,000 hits in 2012, and had 60,000 unique visitors.

Partnerships

We worked in partnership with energy company, SSE, to refer 47 applications from older people on low incomes to their Free Appliance Scheme, replacing old, broken and inefficient 'white goods', such as cookers and washing machines. All 47 older people received new goods.

In 2013 we aim to:

- increase the number of users of our advice, casework and befriending services by developing business opportunities and expanding our partnership network
- expand the public information we offer with three new *Wise Guides* and other accessible information products to help more older people and promote awareness of our services
- update and refine our advice guides to make them more accessible and even easier to use.

2. Befriending and support

Provide befriending and support services to the individual, which are personal and practical, which are delivered to a consistently high standard and which have a demonstrable outcome.

Our befriending and support service provides much-needed company to older people who are lonely or isolated. Our main objective for 2012 was to better address the individual needs of the older people we support through our volunteer network. In addition, we continue to provide financial and practical support to some older people through regular payments, grants and equipment, though we no longer take on new regular payments.

Befriending service

We are enormously grateful to all our volunteers for contributing their skills, hard work and commitment to Independent Age. Our befriending service saw the biggest increase in volunteer recruitment to date in 2012, with 380 new recruits, bringing the total number of volunteers to 1,626. This is over twice the number of recruits from 2011 and meant a significant increase in the number of visits our older people received - 19,000 compared to 9,000 in 2011 - so that even more of our befriending recipients were receiving exactly what they want from us in this regard. Meanwhile, over the year, 363 volunteers retired.

Volunteer support also improved as 85% of volunteers had meaningful contact with their area manager or organising volunteer during the year. We worked to maintain at least three organising volunteers in each region since they have proved instrumental in helping us better support our volunteers and achieve our goals.

We revised our induction training for volunteers and provided specialist training on dementia, in partnership with the Alzheimer's Society, for the first time to ensure that the needs of older people are met. It received overwhelmingly positive feedback, with over 95% of attendees stating the course was 'useful' or 'very useful'.

Live Wires

Our telephone-based book and discussion clubs, *Live Wires*, introduced in 2009 to support older people who are less able to leave the house, also grew. In 2012, we recruited and trained 15 new *Live Wires* facilitators, welcomed 53 new participants - including six who were new to Independent Age - and launched 14 new groups, bringing the total number of groups to 33.

Telephone Buddies

We launched our new *Telephone Buddies* service in June 2012 with a series of volunteer training sessions. The service was initially offered to older people we support who had already requested it and by the end of the year, 19 'buddies' -



including eight via our partnership with Age UK corporate befriending - were supporting 25 older people with regular telephone calls. Plans were made to advertise the service externally in 2013.

Ongoing support

Having designed a new recruitment process, we took on 56 new 'members', supporting, in total, 6,096 vulnerable older people over the year with ongoing individual caseworker support and a personalised package of care.

We streamlined our 'individual review process' - reassessments to ensure the older people are still receiving appropriate support - for those who receive regular financial support from us, making it quicker and easier, and increased income thresholds in line with recommendations from the minimum income standards research done through the Joseph Rowntree Foundation in April. In total, we spent £2.5m on regular payments to 3,587 older people, and £980,000 on grants to 929 older people for one-off emergencies.

We also sent out 120 bedding packs, 80 hospital packs, 550 warm packs and 926 Christmas hampers to the older people we support. Plus, we sent a copy of our *Equipment for Independent Living* catalogue to those who hadn't received it - including all of the former UBS members - which contains useful aids to support everyday independent living, so they could choose for themselves what they needed from it.

In 2013 we aim to:

- undertake 23,000 volunteer visits to older people overall, so we reach our target of supporting 7,000 by the end of 2015
- provide befriending services to a further 500 older people
- start the implementation of a more comprehensive and specialised training programme to ensure the continuing effectiveness of the volunteer network over the coming years.

Projects

fit as a fiddle



Our 18-month fit as a fiddle project, funded by the Big Lottery Fund, which focused on health and wellbeing for older people who are 'isolated at home', came to an end in 2012. Trained volunteers engaged in one-to-one interventions, group support and roadshows, positively affecting a total of 656 older people with advice and guidance on diet and exercise.

Silence isn't Golden



While 79% of the older people we support agree that friendship is important to their well-being and quality of life, nearly a third don't feel they have this in their lives and 55% do not have daily contact with family and friends. We set out to tackle this by offering face-to-face and telephone activities for older people in south west England, Scotland and Cumbria, funded by Comic Relief. The friendships that arose from the project was rewarding to see. The majority of participants said they really

appreciated getting out of the home to an organised event where they trusted they would be safe and cared for and could meet other people of a similar age.

3. Campaigning

Raise awareness and develop the charity's influencing, policy and advocacy activities to achieve a significant increase in awareness and influence on policymakers and the public.

Influencing policy

Our policy strategy for 2012 focused on social care, housing, welfare benefits and loneliness. Key to our work was the publication of the government White Paper and draft Care and Support Bill in July, proposing a long overdue overhaul of the social care system, which we responded to in full with our views.

The first publication to come from the newly-merged charity was *The Real Cost of Care*, highlighting the five main ways in which the care funding system disadvantages ordinary older people and their families. We also launched two major research projects, the first with the Strategic Society Centre, examining the value of Attendance Allowance, and the second with the independent fact-checking organisation, Full Fact, exploring key facts and figures about social care.

In addition to this, we were commissioned by Social Care Institute for Excellence (SCIE) and

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social care

Think Local Act Personal (TLAP) to research gaps in advice and information provision in the social care system. We were asked to map user journeys and anticipate that the map will become a blueprint to help inform local information strategies.

Making links with parliamentarians and MPs

We were delighted to be part of a consortium of eight partners for Carers Week, campaigning with Paul Burstow MP, the then Minister for Care Services, on the theme of 'In Sickness and in Health'.

As well as fringe events at the autumn party conferences, other key activities included our work as the Secretariat to the All-Party Parliamentary Group on housing and care for older people, for which we organised a House of Lords reception. We also welcomed a visit from local MP for Hammersmith and Shadow Justice Minister, Andy Slaughter, to our head office.

Raising our profile

We held the inaugural Independent Age Older People in the Media Awards, sponsored by Barchester Healthcare, at the Geological Society in London on 8 November to great success. Guests included high profile media professionals and the event received significant press and social media coverage.

Over the year, we secured a total of 921 press mentions, including 63 in national media, doubling the

amount we received in 2011. We also increased our social media activity and our blogs, providing more well-informed commentary on the status and progress of key policy developments, particularly around social care.

In 2013 we aim to:

- improve the advice and information provision in the draft Care and Support Bill, including statutory guidance for local authorities asking for top-up fees
- further build our awareness among MPs and policymakers
- continue to promote improvements in social care to tackle loneliness on our own and in partnership with others.

Alliances and partnerships

Care and Support Alliance

Independent Age is an active member of the Care and Support Alliance, a consortium of over 65 organisations that represent and support older and disabled people and campaign to keep adult care funding and reform on the political agenda.

Last year, as well as attending the autumn party conferences with the alliance, we were part of a mass lobby of parliament - which included the first ever Twitter lobby or 'twobby'. We were also on the working group that explored the content of the draft Care and Support Bill, chairing a subgroup on advice and information issues with Action for Advocacy.

Campaign to End Loneliness

Independent Age and Counsel and Care were founder members of the Campaign to End Loneliness, along with Age UK Oxfordshire and WRVS. The campaign was launched in 2011 to raise awareness of loneliness and its wider impact on the older population. Independent Age acts as fundholder and employer of the Campaign's staff and they are based at the London office of its funder, the Calouste Gulbenkian Foundation.

In 2012, the campaign focused primarily on the impact of loneliness on health, launching Loneliness Harms Health, a project aiming to get the new health and wellbeing boards across England to adopt a target to reduce loneliness through local campaigns.

Other key activities include publishing reports with the Local Government Association, Age UK Oxfordshire and the Baring Foundation; organising a Summit with the Department of Health for local government, charities and the business sector; and hosting a two-day international conference with Age UK Oxfordshire at Merton College, Oxford, for researchers, policy makers and practitioners.

Our supporting objectives

A. Develop as an organisation, successfully integrating all components of the organisation into one 'new Independent Age'.

- We held an all staff conference in March 2012 to launch the new strategy and held staff meetings during the year to share awareness and understanding of the expanding charity's activities.
- We received positive results from a staff engagement survey carried out in July, which showed similar results to a survey in 2009, despite the recent organisational changes. We used the results to inform and help improve internal communications and organisational development.
- Through a process of staff consultation, we translated our brand values into nine everyday values-led behaviours. These are now explored with job applicants at the recruitment stage and have also been incorporated into annual appraisals, helping to ensure that everyone who comes into contact with Independent Age is treated consistently and in accordance with our stated values.
- We rolled out a staff learning and development programme for autumn/winter 2012, which included specific training on managing performance, and



rolled out the final tranche of the leadership development programme.

- We provided the advice service and casework teams with ongoing training to keep them up to date, particularly around welfare reform changes.

In 2013 we aim to:

- proceed with the redevelopment of 18 Avonmore Road to provide new head office premises by July 2014, within budget, in order to create an accessible and effective working environment to support organisational culture.

B. Develop, diversify and sustain our income.

- We undertook a broad contact strategy for both individual supporters and the organisations that fund us, carefully explaining the three-way merger and how the integration of our services benefits older people.
- Overall trust income increased in 2012 by 52% to £881,000 as we maintained relations with key

trust supporters of Counsel and Care and UBS who continued to support the work now done at Independent Age.

- We raised £263,000 in 2012 from individual donations, sales of raffle tickets and Christmas cards. We worked on making appeals more relevant to individual supporters and saw a substantial increase in the level of giving in response to this from £228,000 in 2011, especially from some of our major donors.
- We ran extremely successful 'challenge' events throughout the year, raising £12,871 from the London Marathon, the British 10km run and the Royal Park's Half Marathon, compared to £9,365 in 2011, while supporters hosted 62 events around the UK and Ireland for our annual Big Tea event. Also, fundraising volunteer Joanna Trotter held a sell-out event at which Charles Dickens' great-great-great granddaughter Lucinda Hawksley gave a fascinating talk on his life.

Overall, these events raised a total of £21,139.

- Our legacy income, which represents, on average, between half and three-quarters of our voluntary income, increased by 88% from the previous year to £1.85m. To ensure future legacy income, the Trustees authorised three new campaigns for supporter recruitment.
- In 2012, the charity received £5.7m from investments, including income from properties.

In 2013 we aim to:

- explore different fundraising approaches to recruit more committed individual donors
- maintain and develop our trust income
- celebrate our 150th anniversary, recruiting at least 150 people to carry out a fundraising challenge event for the charity
- sell the majority of the investment properties and invest the proceeds to generate both income and capital growth

C. Review and develop all supporting infrastructure.

- In 2012, Trustees decided to sell properties that are not directly associated with the delivery of our charitable objectives and add the funds generated to our core investment portfolio. Research has begun into the original sources of funding of

the properties in question to identify any restrictions attaching to the funds released. Work on a programme of divestment will continue in 2013.

- We undertook a major review of our investment management arrangements to ensure that core funds continue to grow to help meet our strategic objectives over the years ahead. The review encompassed all aspects of governance, risk management and fund management in relation to the investment portfolio with the aim of implementing a new strategy in 2013.
- In light of the relatively poor state of head office accommodation at 6 Avonmore Road, it was decided to redevelop our property at 18 Avonmore Road to provide modern, light and energy-efficient offices. Plans are well in hand to sell 6 Avonmore Road and the new head office building should be ready for occupation July 2014.
- We reviewed and updated the IT business systems. Central to this was the long overdue replacement of much of the charity's ageing hardware and backup systems and providing our regional staff with modern, reliable and fast equipment. The merger with Counsel and Care also necessitated a review of the systems inherited from them, culminating in the successful



We saw the biggest increase in volunteer recruitment to date

redevelopment of the main advice line database.

- We undertook a tendering exercise for a new central database for the entire charity. In conjunction with the new office move, we plan to introduce an electronic document management system that will transform the way we work and eliminate much of the need for paper filing. We will also upgrade the accounting system in order to facilitate more effective, streamlined management of our finance function and integration with other systems within the charity, including the proposed central database and electronic document management system.

In 2013 we aim to:

- design and develop the customer relations management (CRM) ICT system to deliver enhanced management information and data resources for the charity.
- continue the development of the new head office premises and move to a paperless office system in preparation for the office move.
- implement the investment strategy to ensure effective oversight and management of funds to meet the charity's current and future needs.
- appoint a supplier for the new central database in March, with implementation planned for June 2014.

D. Resolve all issues of governance relating to new Independent Age.

- A process of consultation was carried out to review our Royal Charter by Trustees with Charter Members and a draft charter submitted to the Privy Council by the end of the year.
- We recruited 13 new Charter Members.
- We began a process of reviewing the structure of the internal committees attached to the Trustee Board. A draft Trustee Guide was prepared in consultation with Trustees, which sets out governance relationships and responsibilities.

In 2013 we aim to:

- secure approval of a new Royal Charter to ensure that our charity objects are fit for purpose
- deliver effective governance oversight and implement the Trustee Guide.

Financial summary

2012 was a year of consolidation in the financial affairs of Independent Age following an extraordinary year of change in 2011 with our mergers with Council and Care and Universal Beneficent Society (UBS) and sale of three care homes. As expected, both income and expenditure have fallen in the first full year of operation following the sale of the care homes. Meanwhile, strong growth in both legacy income and the returns on our investment portfolio provided encouraging support to our core charitable activities.

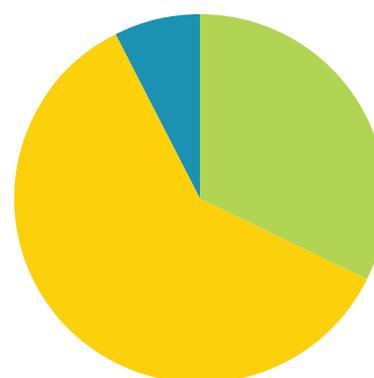
Independent Age's funds grew to £130.1m, largely due to unrealised gains on the investment portfolio. Under the terms of the Royal Charter, 91% of these funds are currently either endowed or restricted and may only be used in accordance with the charter. The remaining funds comprise the General Fund (3%) and designated and other funds (6%).

82% of our total resources expended were on charitable activities in 2012. Our net free reserves represent just under three months of unrestricted operational expenditure.

Income

Although legacy income rose significantly during the year to £1.9m (2012: £1m) and investment income increased to £5.7m (2011: £5.2m), total income overall fell to £9.4m (2011: £14.7m) since the previous year's figures contained the non-recurrent receipts of income from the sale of the care homes, income from the operation of the care homes before they were sold and a transfer of resources from UBS when it merged with Independent Age.

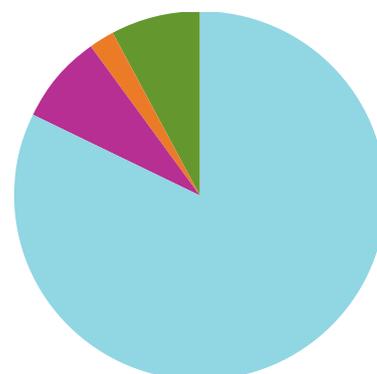
Income	£'000
Voluntary (including events fundraising)	3,057
Investments	5,694
Other	692
Total	9,443



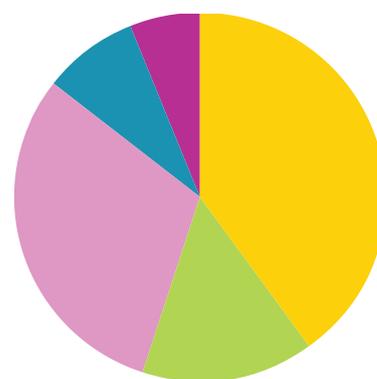
Expenditure

Overall expenditure fell by £3.2m to £7.9m (2011: £11.1m), largely attributable to savings made following the sale of the care homes. This was offset, to a degree, by increased expenditure on all other charitable activities as part of our strategy to expand our core services, which rose to £6.5m (2011: £5.5m).

Resources expended	£'000
Charitable activities*	6,496
Cost of generating voluntary income	634
Investment management costs	174
Governance	596
Total	7,900



*Charitable activities	£'000
Regular payment provision	2,599
Grants and other services	980
Members' support	1,995
Research, policy and information	539
Charitable properties	383
Total	6,496



Reserves

At the end of 2012 our total net assets were £130.1m (2011: £121.9m). Of this, £41.7m was held in permanent endowment funds. These funds themselves cannot be spent but are invested to produce income which can be spent on our charitable activities. In 2012, £76.7m was held in restricted funds to pay for regular payments and other charitable activities.

At the end of the year total unrestricted funds stood at £11.7m, comprising £5.5m designated for specific purposes, a revaluation reserve of £5.6m which can only be realised if properties are sold, general funds of £4.2m and a negative pension reserve of £3.5m, representing a deficit on the defined benefit pension scheme for which a recovery plan is in place. In net terms, therefore, the underlying level of free reserves immediately available for general purposes, ie excluding designated funds and the revaluation reserve, is £0.7m or just under three months of unrestricted operational expenditure.

The endowed and restricted funds referred to above have been established over many years under the provisions of the Royal Charter to provide help to older people. Under the charter, Independent Age is required to maintain these funds at an appropriate level to meet its obligations to the people it supports.

Financial review

Total incoming resources for 2012 were £9.4m, a reduction of £5.3m or 36% in comparison with the previous year (2011: £14.7m). This is a result of eliminating the residential fees following the sale of the care homes in 2011 and the non-recurrent nature of the transfer from UBS in 2011 together with the gain on the sale of the care homes in that year.

Largely as a result of the sale of the care homes in 2011, total expenditure on charitable activities fell to £6.5m (2011: £9.6m) which represents 82% of total expenditure (2011: 86%). Regular cash payments made to members in the year amounted to £2.5m (2011: £3.0m), a reduction of £0.5m or 16% over the previous year. This reduction is mainly due to the death of existing regular payment members and our decision not to take on any new regular payment members in line with our 'ABC' strategy of focussing on our new advice, befriending and campaigning activities. An adjustment to the provision of £1.9m for regular payments was made as a result of a reduction in the discount rate used to calculate this future liability (2011: £1.6m).

Expenditure on members' support, which includes befriending, rose to £2.0m from £1.8m. Expenditure for grants and other services in the year was £980,000 (2011: £895,000).

Charitable expenditure on research, policy and communications increased to £539,000 (2011: £392,000) as the communications team worked on developing the information services available to support the work of the advice service and on similarly developing campaigning activities.

The cost of generating funds, including investment income, was £808,000 (2011: £965,000). The cost of generating voluntary income decreased to £634,000 (2011: £693,000).

Governance costs have increased to £596,000 at the year-end (2011: £554,000). This is the result of a number of governance projects incurring legal fees and other costs associated with the review of the Royal Charter and the ongoing review of investment management arrangements.

Overall, net incoming resources on charitable, fundraising and governance activities before transfers reduced by £2.1m to £1.5m (2011: £3.6m).

Realised losses on investments totalled £1.1m (2011: £1.3m) while unrealised gains by the year end amounted to £8.0m (2011 loss: £71,000). There was an actuarial gain on the defined benefit pension scheme of £259,000 (2011: actuarial loss £946,000).

At the year end funds had increased by £8.2m to £130.1m (2011: £121.9m).



Reserves policy

The endowed and restricted funds have been established over many years to provide financial help to the older people we support. To comply with the terms of its Royal Charter, Independent Age must maintain an appropriate level of reserves to meet its obligations to the people it supports. As a result, total endowed and restricted funds account for 91% of total charity funds. At the balance sheet date the Board of Trustees considers that unrestricted funds, as supplemented by designated funds set out in Note 16 to the financial statements, are at a reasonable level in terms of current activities and in the context of Independent Age's 'ABC' strategy 2012-2015. Free reserves stand at £4.2m and are shown in the General Fund in Note 16.

Investment policy

Independent Age has investments and short-term deposits that are set out in the balance sheet and in the relevant notes to the financial statements. Our statement

of investment principles and investment policy are reviewed annually by the Finance and Resources Committee.

The objective of the investment policy is to maintain the real value of the income generated by the investment portfolio without detriment to the overall capital performance. A detailed investment policy sets out requirements and limitations on the investment of equities, bonds, cash deposits and other investment instruments.

During 2012 a major review of investment management arrangements was undertaken. As a result, it is anticipated that a new approach based on total return will be implemented in 2013.

Staff and volunteers

The effort, commitment and skills of our staff and volunteers are at the heart of our organisation.

In 2012, Independent Age directly employed on average 92 staff: 75 in our head office in Avonmore Road, London, and three regional

and 14 area managers (sharing 14.4 full time equivalent posts overall after the area network was restructured for greater efficiency) working across the UK and Ireland. We held an all staff conference in March 2012 to launch the new 'ABC' strategy and held regular staff meetings throughout the year to share awareness and understanding of the expanding charity's activities. Relevant information for staff about activities and achievements are shared via our intranet and monthly updates circulated via email.

Employee involvement

Regular meetings with staff are held to provide employees with information on matters that may be of concern to them and to promote a common awareness of the financial and economic factors affecting the performance of the charity.

Legal structure

Independent Age is the operating name of the Royal United Kingdom Beneficent Association (RUKBA). Established in 1863, the charity is incorporated by Royal Charter first issued in 1911 and supplemental charters, most recently issued on 24 June 1998. It was registered as a charity on 11 August 1962. The Royal Charter sets out the objects, powers and bye-laws of the charity.

Organisation structure

Independent Age has a head office in London, which provides

the main support functions to the charity. The head office also accommodates staff of the Florence Nightingale Aid in Sickness Trust (FNAIST), for which Independent Age acts as Managing Trustee. In addition, Independent Age is the sole legal member of Counsel and Care, a charitable company limited by guarantee.

Organisationally, there are three main directorates. The Care Services Department currently provides individual casework support, advisory services and grant-making support to the people we help and incorporates the work of our volunteer network, which manages volunteer recruitment and regional structures. The Fundraising, Policy and Communications Department is responsible for delivering policy, research, communications, public information, marketing, fundraising and events support to the charity. The Corporate Services directorate includes finance, information and communication technology and property management. A fourth department, Human Resources, reports directly to the Chief Executive.

Governance

At the balance sheet date the Board of Trustees comprised 15 members. With the exception of the Treasurer, Trustees are elected by Charter Members (formerly known as Members of the Association)



We sent
926 vulnerable
older people
a Christmas
hamper

for an initial term of three years at the annual general meeting. The Treasurer is appointed by the Board and is, ex officio, a member of the Board. Under the Royal Charter, the association shall consist of not more than 125 Charter Members who include the President and the Vice Presidents, the Treasurer and the Board of Trustees. New Charter Members are appointed periodically by the Board.

The Board of Trustees governs the charity in line with the vision, mission and objectives and exercises oversight of the overall direction and performance of the charity. The Trustees are responsible for compliance with legal and statutory requirements of a charity.

The Board of Trustees delegated certain functions to a number of Committees. During 2012 these were:

- The Finance and Resources Committee - this encourages and safeguards the highest standards of integrity, financial reporting and internal control. It oversees the organisation's risk management processes. In addition, two sub-groups report to the Finance and Resources Committee - the Investment Sub-Group and the Pensions Sub-Group.
- The Nominations Committee.

The executive management of the charity is delegated by the Board

of Trustees to the Chief Executive and through the Chief Executive to the Senior Management Team and employees. The Senior Management Team presents plans and strategies to the Board of Trustees and options in relation to key strategic developments and reports on performance.

The Board meets at least five times a year and receives regular reports from the Senior Management Team and the Committees. All Trustees receive an induction pack and training upon joining the Board.

Management

The management of the charity is led by its Chief Executive, Janet Morrison. She, together with three directors who head up the departments, comprise the Senior Management Team of the charity.

Risk management and internal controls

The charity's risk management policy is designed to ensure that there are clear responsibilities for the assessment and review of risks by Trustees, Committees and the Senior Management Team and that appropriate controls and plans are in place to manage them. Trustees have reviewed and approved the risk assessments carried out in 2012 and are satisfied that reasonable steps are being taken to mitigate exposure to these risks.

Disclosure of information to auditors

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

Public benefit

In setting our objects and planning the activities for the year, the Board of Trustees confirms that it has had due regard for the guidance on public benefit published by the Charity Commission and so fulfilled our obligation under section 4 of the Charities Act 2011.

Statement of the Board of Trustees' responsibilities for the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and the group and of the incoming resources and application of resources of the group 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 judgments and estimates that are reasonable and prudent
- state whether applicable 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 charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 25 April 2013 and signed on its behalf by:



Dame Diana Brittan
Chairman of the Board of Trustees

Independent auditors' report

We have audited the financial statements of Independent Age for the year ended 31 December 2012 which comprise the Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement 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).

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out on page 21, the Trustees are responsible for the preparation of financial statements which 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.

This report, including the opinions, has been prepared for and only for the charity's Trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Regulation 30 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 group's and parent charity'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 nonfinancial information in the Trustees' 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2012, and of the group's incoming resources and application of resources and cash flows, 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 Charities Act 2011 and Regulation 15 of The Charities (Accounts and Reports) Regulations 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements or
- sufficient accounting records have not been kept by the parent charity or
- the parent charity financial statements are not in agreement with the accounting records and returns or
- we have not received all the information and explanations we require for our audit.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

16 May 2013

PricewaterhouseCoopers LLP is eligible to act, and has been appointed, as auditor under section 144(2) of the Charities Act 2011

Notes:

a) The maintenance and integrity of the Independent Age website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Administrative information

Royal Patron

Her Royal Highness Princess Alexandra,
the Hon. Lady Ogilvy, KG, GCVO

Patrons

The Lord Archbishop of Canterbury
The Moderator of the General Assembly of
the Church of Scotland
The Free Churches' Moderator
The Cardinal Archbishop of Westminster

President

His Grace The Duke of Abercorn KG

Vice Presidents

Her Grace the Duchess of Abercorn
M Hayes
The Lady Jean Mackenzie CBE (to October
2012)
P Routledge CBE DLitt
W G Underwood
Professor H S Wolff BSc FIBiol
The Rt. Hon. the Earl of Yarborough

Management

Janet Morrison, Chief Executive
Simon Bottery, Director of Fundraising,
Policy and Communications
Ian Buchan, Director of Care Services
Noel Flannery, Director of Finance and
Corporate Services

Board of Trustees

The Trustees of the charity who were in
office during the year and up to the date of
signing the financial statements were:

Dame Diana Brittan DBE (Chairman)
Terry Hitchcock (Treasurer from May 2012)
Tom Howe MA FCA (Treasurer to May 2012)
Nicholas Broadhead
Sue Collins BSc MSc
Tim Davis (from May 2012)
Sue Douthwaite MSc Minst F (cert) FRSA
(to May 2012)
Dr Justine Frain
Dr Nori Graham BM Bch FRCPsych DUniv
(to February 2012)
Rodney Gritten BA MSc FRSA (to May 2012)
Richard Gutch (from May 2012)
Dr Helen Hanbury
Caroline Jacobs
Estelle McCartney*
Sarah Reed
Lyn Romeo*
James Steel*
Ian Watson BA MBA CA
Denise Wilkinson (from May 2012)
*Co-opted from May 2012

As at 31 December 2012

Professional Advisers

Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Insurers

Ecclesiastical Insurance Group
Beaufort House
Brunswick Road
Gloucester GL1 1JZ

Solicitors

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

Investment Advisers

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Group Statement of Financial Activities (including Income and Expenditure Account)

For the year ended 31 December 2012

	Notes	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Year to 31 December 2012 Total funds £000	Year to 31 December 2011 Total funds restated £000
Incoming resources						
Continuing operations:						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	2,173	821	-	2,994	1,793
Activities for generating funds		63	-	-	63	73
Investment income	3	476	5,218	-	5,694	5,220
<i>Incoming resources from charitable activities</i>						
Property rental income		33	-	-	33	109
<i>Other incoming resources</i>						
Other income		266	-	-	266	95
Incoming transfer from UBS	11	-	-	-	-	1,485
Incoming transfer from Counsel and Care	11	-	-	-	-	34
		3,011	6,039	-	9,050	8,809
Discontinued operations						
Residential fees and rental income		-	-	-	-	3,455
Gain on sale of care homes	1m	-	393	-	393	2,405
		-	393	-	393	5,860
Total incoming resources		3,011	6,432	-	9,443	14,669
Resources expended						
Continuing operations:						
<i>Cost of generating funds</i>						
Cost of generating voluntary income	4	634	-	-	634	826
Investment management costs	4	174	-	-	174	139
		808	-	-	808	965
Charitable activities						
Regular payments administration costs	4	-	695	-	695	499
Regular payments movement in provision	4, 14	-	1,904	-	1,904	1,640
Grants and other services	4	-	980	-	980	895
Members' support	4	596	1,399	-	1,995	1,806
Properties		383	-	-	383	274
Research, policy and information	4	539	-	-	539	392
		1,518	4,978	-	6,496	5,506
Discontinued operations:						
Residential care and property expenses	4	-	-	-	-	4,073
		1,518	4,978	-	6,496	9,579
Governance costs	5	596	-	-	596	554
Total resources expended		2,922	4,978	-	7,900	11,098
Net incoming resources before transfers		89	1,454	-	1,543	3,571
Transfers	16	221	(221)	-	-	-
Net incoming resources before other recognised gains and losses		310	1,233	-	1,543	3,571
Realised loss on investments		(48)	(729)	(362)	(1,139)	(1,285)
Unrealised gain/(loss) on investments	10	340	5,150	2,553	8,043	(71)
Actuarial gain/(loss) on defined benefit pension scheme	15	259	-	-	259	(946)
Unrealised (loss)/gain on investment properties	9b	(465)	-	-	(465)	6,062
Net movement in funds		396	5,654	2,191	8,241	7,331
Fund balances brought forward at 1 January		11,344	71,002	39,550	121,896	114,565
Fund balances carried forward at 31 December	16	11,740	76,656	41,741	130,137	121,896

The statement of financial activities includes all gains and losses recognised in the year. Notes 1 to 20 form part of the financial statements.

There is no material difference between the net incoming resources stated above and their historical cost equivalents.

The treatment of the regular payments and related provisions was changed in the current year to align it with Financial Reporting Standard 12 and the figures for 2011 have been restated in accordance with the revised methodology.

Group and Charity Balance Sheets

As at 31 December 2012

	Notes	Group 2012 Total funds £000	Group 2011 Total funds £000	Charity 2012 Total funds £000	Charity 2011 Total funds £000
Fixed Assets					
Tangible fixed assets	9a	1,109	1,303	1,109	1,303
Investment Properties	9b	2,135	7,885	2,135	7,885
Investments	10	130,840	123,925	130,840	123,925
Programme-related investments	11	550	560	550	560
		134,634	133,673	134,634	133,673
Current Assets					
Assets held for sale	9c	5,975	-	5,975	-
Debtors - amounts falling due after 1 year	12	2,439	4,777	2,439	4,777
Debtors - amounts falling due within 1 year	12	3,393	700	3,393	720
Short-term deposits		449	372	449	372
Cash at bank and in hand		2,336	3,407	2,133	3,299
		14,592	9,256	14,389	9,168
Creditors: Amounts falling due within one year	13	(2,522)	(3,639)	(2,738)	(3,639)
Net current assets		12,070	5,617	11,651	5,529
Total assets less current liabilities		146,704	139,290	146,285	139,202
Creditors: Amounts falling due after more than one year	14	(13,015)	(13,344)	(13,015)	(13,344)
Net assets excluding pension liability		133,689	125,946	133,270	125,858
Defined benefit pension liability	15	(3,552)	(4,050)	(3,552)	(4,050)
Net assets including pension liability		130,137	121,896	129,718	121,808
The funds of the charity:					
Unrestricted income funds					
Designated funds		5,477	5,534	5,477	5,534
Revaluation reserve		5,597	6,062	5,597	6,062
General funds		4,218	3,798	4,218	3,798
Pension reserve		(3,552)	(4,050)	(3,552)	(4,050)
Total Unrestricted income funds		11,740	11,344	11,740	11,344
Restricted income funds		76,656	71,002	76,237	70,914
Endowment funds		41,741	39,550	41,741	39,550
Total charity funds	16	130,137	121,896	129,718	121,808

The financial statements on pages 25 to 43 were approved by the Board of Trustees on 25 April 2013 and signed on their behalf by:



Dame Diana Brittan

Chairman of the Board of Trustees

Consolidated Cash Flow Statement

For the year ended 31 December 2012

	Note	2012 £000	2012 £000	2011 restated £000	2011 restated £000
Net Cash (Outflow) from Operating Activities	A		(3,595)		(5,962)
Investment income			5,694		5,220
Capital Expenditure, Financial Investment and Regular Payments					
Purchases of investments		(19,419)		(32,391)	
Receipts from disposals of investments		18,913		30,109	
Purchase of tangible fixed assets		(534)		(94)	
Cash payments - regular payments		(2,548)		(3,027)	
Proceeds from sale of tangible fixed assets		-		7,574	
Net Cash (Outflow)/Inflow from Capital, Financial Investment and Regular Payments			(3,588)		2,171
Management of Liquid Resources					
Decrease in investment cash		495		1,520	
Increase in short-term deposits		(77)		(18)	
Net Cash Inflow from Liquid Resources			418		1,502
(Decrease)/Increase in Cash	B		(1,071)		2,931

Notes to the Consolidated Cash Flow Statement

A Reconciliation of net incoming resources to net cash (outflow) from operating activities

	2012 £000	2011 restated £000
Net incoming resources	1,543	3,571
Depreciation	38	41
Gain on disposal of fixed assets	-	(2,405)
Investment income	(5,694)	(5,220)
Decrease/(increase) in programme-related investments	10	(5)
Increase in debtors	(355)	(4,104)
(Decrease)/increase in short-term creditors excluding regular payments	(802)	490
Movement of regular payment provision	1,904	1,640
FRS 17 difference between pension contributions and current service cost	(239)	30
Net cash outflow from operating activities	(3,595)	(5,962)

B Analysis of net funds

	1 January 2012 £000	Cash flows £000	31 December 2012 £000
Cash at bank (including overnight deposits) and in hand	3,407	(1,071)	2,336

Short-term deposits on more than one day's notice are considered to be liquid resources.

The 2011 comparative figures have been restated as a result of a reclassification of the regular payment provision in line with FRS 12.

Notes to the Financial Statements

For the year ended 31 December 2012

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investments to market value. The statements have been prepared in accordance with Accounting and Reporting by Charities: the Statement of Recommended Practice, Charities SORP 2005, applicable accounting standards in the United Kingdom and the Charities Act 2011. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The Statement of Financial Activities (SOFA) and Group Balance Sheet consolidate the financial statements of Independent Age and Counsel and Care. For the purposes of the financial statements, Independent Age is deemed to control 100% of Counsel and Care. The results of Counsel and Care are consolidated on a line-by-line basis. No separate Statement of Financial Activities has been prepared for Independent Age alone as permitted by paragraph 397 of the 2005 SORP. The total incoming resources of Independent Age for the year was £9,443,000 (2011: £14,669,000) and its net incoming resources before non-operating adjustments were £1,543,000 (2011: £3,571,000).

The charity is a registered charity and as such is entitled to certain tax exemption on income and profits on investments and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

b) Fund accounting

Independent Age's financial statements are split between various funds which may be summarised in relation to income and capital as shown below:

Permanent endowed funds

These are funds normally arising as a result of a will where the income but not the capital sum can usually be spent. These funds are used mostly to fund regular payments and the income generated is included in Restricted Funds.

Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of Independent Age. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Additionally, where assets have been transferred to Independent Age under Charity Commission schemes and there are restrictions as to the use of the sums transferred, these are included under Restricted Funds.

Designated funds

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes including strategic and property development.

Unrestricted funds

These are funds which can be used in accordance with Independent Age's objects at the discretion of the Trustees.

c) Income recognition

Legacies, investment income and residential fee income are included in the Statement of Financial Activities in the year in which they are receivable. Donations are included in the Statement of Financial Activities in the year in which they are received.

d) Legacies

Recognition of legacy income is dependent on the type of legacy, with pecuniary legacies recognised when notification is received and residuary legacies when the final accounts under the will are received.

Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

In accordance with the Royal Charter, at least 50% of all legacies not specifically bequeathed are allocated to restricted funds, initially to the General Purposes Fund account, and then across the funds to meet their requirements at the end of each year. During the year the balance of the General Purposes Fund was transferred to unrestricted funds in line with the donors' intention.

e) Expenditure

Expenditure is recognised on an accruals basis inclusive of VAT, which cannot be recovered. Costs of generating funds are direct costs of fundraising and an appropriate proportion of management and office overheads.

Charitable expenditure comprises expenditure directly relating to the objects of Independent Age and a proportion of expenses relating to the support of such activities.

Governance costs comprise costs attributable to compliance with constitutional and statutory requirements. This includes audit and other advisory costs, the costs of Trustees' meetings and certain legal expenses.

The allocation of office costs is based on the percentage of staff time incurred for each area of cost and on each of Independent Age's activities. This is reviewed annually.

f) Tangible fixed assets and depreciation

Land and buildings are shown in the balance sheet at cost or, if lower, net realisable value. The total net value of Independent Age's property is in excess of cost.

Buildings are maintained at a high standard and their residual values are high relative to cost. In view of this, depreciation is not material and has not been provided.

Computer equipment is depreciated at the annual rate of 25%. Other items of furniture and equipment are depreciated at the rate of 10% per annum (reducing balance method).

Realised gains/losses on fixed assets are taken to the fund on which the asset is held and form part of the funds available for purchasing tangible fixed assets or investments.

The de minimis level for capitalisation of tangible fixed assets is £5,000. All non-property tangible fixed assets are included at cost.

g) Fixed asset investments

Quoted investments are included in the financial statements at market value. Realised gains or losses on disposals and unrealised gains or losses resulting from fluctuations in market value are taken to the SOFA in the year in which they occur.

Investment properties are held at market value, are not depreciated and are reviewed for impairment on an annual basis. During 2012 a decision was taken to redevelop premises held at 18 Avonmore Road to provide new offices for Independent Age and to dispose of the rest of the Avonmore estate. As a result, property with the net book value of £5,285,000 was reclassified as 'Assets held for sale' rather than 'Investment properties' and £690,000 was similarly reclassified from 'Tangible fixed assets' in respect of office premises at 6 Avonmore Road as reflected in Note 9(c). The redevelopment of 18 Avonmore Road will also subsume

Notes to the Financial Statements

For the year ended 31 December 2012

Flat 16 Avonmore Road, previously classified as an investment property. The resultant change of use from residential to office space has resulted in an impairment of £465,000 to the carrying value of the flat which is reflected in Note 9(b) to the financial statements.

Investment short-term loans are held at cost.

Income from investments is included in the financial statements on an accruals basis. Investment income received is apportioned to funds according to the amount of each investment held by the fund.

h) Programme-related investments

Loans are awarded to beneficiaries who are leaseholders or freeholders of their property, mainly for household repairs and maintenance. A senior staff member with delegated authority makes the final decision on the loan application.

A provision is made against the aggregate value of loans issued, based on past experience and on management's current expectations. Loans are only written off when there is no realistic prospect of recovering any further repayments. The loans are not subject to interest charges. Loans must be repaid when the beneficiary has the capital available.

i) Assets held for sale

Assets held for sale are shown in the balance sheet at the lower of the carrying amount or the fair value less costs to sell as assessed at the date the asset is held for sale. Depreciation is not charged on assets held for sale.

j) Future commitments

The estimated net present value of the regular payments to Independent Age's beneficiaries is treated as a long-term liability in compliance with SORP 2005. The long term provision is calculated using life expectancy tables to determine the period for which the regular payments may be made. The commitment is discounted using the appropriate discounting rate to show the overall commitment figure. Any variation to the provision is charged to the Statement of Financial Activities for the year.

k) Pension contributions

Certain employees and former employees of the charity participate in a defined benefit scheme. The pension costs are assessed in accordance with actuarial advice and based on the most recent valuation of the scheme. These costs are accounted for in accordance with FRS 17. The current service cost of the defined benefit scheme is charged to employee costs over the anticipated period of employment. Net pension finance income or costs is included immediately in other incoming resources or employee costs as appropriate. Actuarial gains and losses are recognised immediately on the SOFA. A provision for the scheme deficit is shown on the balance sheet.

l) Incoming transfers from UBS and Counsel and Care

The net assets of UBS and Counsel and Care were transferred to Independent Age during 2011 as part of the merger of both charities with Independent Age. Independent Age is the Managing Trustee of Counsel and Care and all income and expenditure is consolidated into the financial statements of Independent Age. Counsel and Care continues to produce financial statements as a separate entity; therefore Independent Age disaggregates the reserves of Counsel and Care in the 'Charity' statements, which form part of these financial statements.

m) Gain on sale of the care homes

On the sale of the care homes during 2011, sale proceeds exceeded historic book value by £2,405,000. This gain from discontinued operations will be applied to Independent Age's wider charitable objectives subject to any necessary approval from the Charity Commission as to the disposition of these funds. A proportion of the consideration was deferred and as a result the original debtor was discounted. As the debtor falls due the discounting reduces and results in a further gain on the sale of care homes being reflected in these financial statements.

2 Voluntary income

	Unrestricted Funds £000	Restricted Funds £000	2012 £000	2011 £000
Donations	263	-	263	228
Trust income	281	600	881	579
Legacies	1,629	221	1,850	986
	<u>2,173</u>	<u>821</u>	<u>2,994</u>	<u>1,793</u>

3 Investment income

	Unrestricted Funds	Restricted Funds	Endowment Funds	2012 £000	2011 £000
Fixed interest	35	531	263	829	949
Dividend income	193	2,958	1,466	4,617	4,057
Investment property rental income	239	-	-	239	209
Bank deposit interest	9	-	-	9	5
	<u>476</u>	<u>3,489</u>	<u>1,729</u>	<u>5,694</u>	<u>5,220</u>

4 Resources expended allocation

	Direct costs	Staff costs	Non-Staff	2012	2011
	£000	£000	Support costs	£000	restated
	£000	£000	£000	£000	£000
Cost of generating funds	152	516	140	808	965
Charitable activities					
Continuing operations:					
Regular payments administration	-	553	142	695	499
Regular payment movement in provision	1,904	-	-	1,904	1,640
Grants and other services	505	393	82	980	895
Members' support	234	1,537	224	1,995	1,806
Properties	339	32	12	383	274
Research, policy and information	174	307	58	539	392
	3,156	2,822	518	6,496	5,506
Discontinued operations:					
Residential care and property expenses	-	-	-	-	4,073
Total charitable activities	3,156	2,822	518	6,496	9,579
Total	3,308	3,338	658	7,304	10,544

Member's support includes £195,000 relating to the Campaign to End Loneliness. On behalf of the partnership of all five organisations on the "management group" of the Campaign to End Loneliness, Independent Age has taken on responsibility to employ the staff and manage the budget of the Campaign to End Loneliness, which will be subject to the charity's financial policies and procedures. This includes monthly reviews of management accounts and reporting to the funders on a regular basis. The 2011 comparative figures have been restated as a result of a reclassification of the regular payment provision in line with FRS 12.

Support costs and note on allocation

	Cost of generating funds	Regular allowances	Grants	Beneficiary support	Policy and communications	Property costs	Governance	Total 2012	Total 2011
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Chief Executive	1	1	1	1	2	-	221	227	192
Finance department	34	27	9	14	3	6	11	104	123
Information and communications technology	44	22	13	132	6	-	2	219	178
Human resources	9	8	6	27	3	6	-	59	37
Head office facilities management	50	84	53	50	42	-	-	279	314
Fundraising, policy and communications	2	-	-	-	2	-	-	4	8
Beneficiary care services department including pilot projects	-	-	-	-	-	-	-	-	2
Beneficiary regional support	-	-	-	-	-	-	-	-	1
	140	142	82	224	58	12	234	892	855

The allocation of non-staff support costs is based on the percentage of staff time incurred for each area of cost and on each of Independent Age's activities. This is reviewed annually.

5 Governance costs

	2012 £000	2011 £000
Trustee expenses (see Note 19)	1	1
Trustees recruitment	2	1
External audit fees	34	24
Allocation of support costs	234	205
Staff costs	316	301
AGM expenses	5	9
Internal audit	4	13
Total Governance costs	596	554

6 Staff costs

	2012 £000	2011 £000
Salaries	2,783	5,112
Temporary staff costs	97	246
Employer National Insurance	281	442
Employer pension contributions	493	312
	3,654	6,112

7 Average monthly staff numbers organised by the Group's activities

	2012	2011
Residential care (January to October)	-	180
Beneficiary support services (including Counsel and Care and UBS from October 2011)	54	54
Fundraising, policy and communications	13	13
Corporate services	25	26
	92	273

At 31 December 2012, staff loans totalled £17,929 (2011: £23,175). No interest is charged on these loans, which mainly relate to advances for season tickets.

8 Number of employees with total emoluments excluding pensions of more than £60,000

	2012	2011
£80,001 - £90,000	3	3
£90,001 - £100,000	1	1
	4	4

Pension contributions made by Independent Age in respect of higher paid employees amounted to: £26,514 (2011: £25,501).

Notes to the Financial Statements

For the year ended 31 December 2012

9a Tangible fixed assets

	Freehold land and buildings £000	Furniture, fixtures and equipment £000	Computers £000	Total Group and Charity £000
Cost				
As at 1 January 2012	1,196	31	99	1,326
Additions	484	-	50	534
Transfer to assets held for sale	(690)	-	-	(690)
Total cost as at 31 December 2012	990	31	149	1,170
Accumulated depreciation				
As at 1 January 2011	-	(6)	(17)	(23)
Depreciation	-	(6)	(32)	(38)
Disposal	-	-	-	-
Accumulated depreciation as at 31 December 2012	-	(12)	(49)	(61)
Net Book Values				
As at 31 December 2012	990	19	100	1,109
As at 31 December 2011	1,196	25	82	1,303

9b Investment properties

	Group and Charity	
	2012	2011
	£000	£000
As at 1 January	7,885	275
Transfer from tangible fixed assets	-	1,548
Transfer to assets held for sale	(5,285)	-
Impairment	(465)	-
Revaluation of investment properties	-	6,062
As at 31 December	2,135	7,885

9c Assets held for sale

	Group and Charity	
	2012	2011
	£000	£000
As at 1 January	-	-
Transfer from tangible fixed assets	690	-
Transfer from investment properties	5,285	-
As at 31 December	5,975	-

10 Investments Charity and Group

	Unrestricted Funds £000	Restricted Funds £000	Endowment Funds £000	2012 £000	2011 £000
Quoted investments	5,052	82,939	41,741	129,732	122,322
Cash	1,708	(850)	-	858	1,353
Investments held with fund manager	6,760	82,089	41,741	130,590	123,675
Investment short-term loan	250	-	-	250	250
	7,010	82,089	41,741	130,840	123,925

Reconciliation of investments held with fund manager

Market value at 1 January	123,675	124,269
Additions	19,419	32,391
Disposals	(20,052)	(31,394)
Net unrealised (losses)/gains	8,043	(71)
Movement in cash	(495)	(1,520)
Market value at the year end	130,590	123,675

Included in disposals are £1,138,707 (2011: £1,284,693) of realised losses

Historical cost as at the year end	106,447	106,268
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Investments - breakdown by type

UK equities	95,142	92,266
Overseas equities	7,303	4,463
UK Bonds	21,607	18,554
Overseas bonds	2,274	3,129
Property	2,506	2,561
Structured products and private equity	900	1,349
Cash	858	1,353
Market value at the year end	130,590	123,675

At the year end the following holding represented over 5% of the total portfolio

	2012 £000	%	2011 £000	%
Royal Dutch Shell B ord	8,700	7%	8,589	7%
HSBC Holdings ord	6,469	5%	6,802	6%
UK Govt 1.875% Nov 22	7,052	5%	-	-
Vodafone Group ord	-	-	7,156	6%
	22,221	17%	22,547	19%

Notes to the Financial Statements

For the year ended 31 December 2012

11 Programme-related investments

	Group and Charity	
	2012	2011
	£000	£000
Loan balance as at January 2012	670	653
Loans awarded during the year	7	40
Loans repaid	(28)	(35)
Total loans outstanding	649	658
Provision	(99)	(98)
Net loans as at 31 December 2012	550	560

12 Debtors

	Group		Charity	
	2012	2011	2012	2011
	£000	£000	£000	£000
Debtors - amounts falling due within 1 year	2,845	44	2,845	44
Amount owed by related charities	9	-	9	20
Other debtors	46	25	46	25
Prepayments	116	59	116	59
Accrued income	377	572	377	572
	3,393	700	3,393	720
Debtors - amounts falling due after 1 year	2,439	4,777	2,439	4,777
	5,832	5,477	5,832	5,497

Amounts falling due within 1 year have increased in anticipation of the receipt of the second tranche of income arising from the sale of the care homes. Amounts falling due after more than 1 year represent the deferred element of the purchase consideration from the purchaser of the care homes.

13 Creditors: Amounts falling due within one year

	Group		Charity	
	2012	2011	2012	2011
	£000	£000	£000	£000
Trade Creditors	149	113	149	113
Regular Payment Liability (Note 14)	2,320	2,635	2,320	2,635
Amounts owed to purchaser of the care homes	-	516	-	516
Amounts owed to related charity	-	-	216	-
Other Creditors	6	227	6	227
Accruals and deferred income	47	148	47	148
	2,522	3,639	2,738	3,639

14 Reconciliation of Regular Payments Allowances

	Group and Charity	
	2012	2011
	£000	£000
Commitments at 1 January 2012	15,979	17,365
Movement in provision	1,904	1,640
Amount paid in the year	(2,548)	(3,026)
Commitments payable as at 31 December 2012	15,335	15,979
	2012	2011
	£000	£000
Amounts due within one year	2,320	2,635
Amounts due after more than one year	13,015	13,344
	15,335	15,979

15 Pensions scheme - FRS 17 - Retirement Benefits - Charity and Group

Independent Age operates a funded defined-benefit scheme administered by the Pensions Trust. Members of the Open Section are contracted out of the State Earnings Related Pension Scheme (SERPS), whilst members of the Closed Section are contracted in.

The current service costs of the scheme are charged to the relevant expense headings. The contributions are determined by a qualified actuary, who is not an employee or officer of the charity. The last formal valuation of the scheme was performed as at 30 September 2010.

From 1 December 2008, the employer agreed to pay 25.1% of pensionable earning in respect of non-contributory members and 19.1% of pensionable salaries in respect of contributory members. Contributory members have paid contributions at the rate of 6% of pensionable salary over the accounting period. The pension payment for the year was £493,000 (2011: £312,000). With effect from 1 January 2008 the scheme has been closed to new members.

Independent Age also operates a defined contribution scheme administered by the Pensions Trust. Members of the scheme contribute 6% whilst the employer contributes 10%.

	2012	2011	2010
The major FRS 17 assumptions used by the actuary were			
Rate of Increase in Pensionable Salaries	2.00	4.40	4.90
Rate of Increase in Pensions Payment	2.20	2.40	2.85
Rate of Revaluations of Deferred Pensions in Excess of the GMP	3.00	2.90	3.40
Discount Rate	4.40	4.70	5.40
Inflation Assumption (RPI)	3.00	2.90	3.40

The mortality assumptions adopted at 31 December imply the following life expectancies at age 60:

		2012	2011	2010
Pensioner	Male	88.20	88.00	87.00
	Female	90.20	89.80	88.90
Non-Pensioner	Male	90.40	90.30	88.80
	Female	92.10	91.70	90.50

Notes to the Financial Statements

For the year ended 31 December 2012

Long-term rate of expected return at 31 December 2012

	2012	Value at 31 December 2012	2011	Value at 31 December 2011
	%	£000	%	£000
Equities	7.00	8,629	8.00	8,185
Bonds	4.20	2,829	4.90	2,651
Properties	6.00	994	7.00	972
Other	0.50	108	0.50	(77)
		12,560		11,731

The following amounts were measured in accordance with the requirements of FRS 17

	2012	2011
	£000	£000
Total market value of assets	12,560	11,731
Present value of scheme liabilities	(16,112)	(15,781)
Deficit in the scheme	(3,552)	(4,050)

The following amounts have been recognised in the financial statements.

The Charity's net assets and unrestricted reserves are as follows:

	2012	2011
	£000	£000
Net assets excluding pension reserve	133,689	125,946
Pension liability	(3,552)	(4,050)
	130,137	121,896
Unrestricted funds excluding pension liability	15,292	15,394
Pension reserve	(3,552)	(4,050)
	11,740	11,344

The following amounts have been recognised in the performance statements in the year to 31 December 2012 under the requirements of FRS 17:

	2012	2011
	£000	£000
Resources Expended		
Current service costs	221	329
Total Operating Charge	221	329
Pension Finance (Expense)/ income		
Expected return on pension scheme assets	733	878
Interest on pension scheme liabilities	(729)	(821)
Net Return	4	57
Statement of Total Recognised Gains/(Losses)		
Actual return less expected on pension scheme assets	396	(973)
Actuarial (loss)/gain on liabilities	(137)	27
Actuarial gain/ (loss) recognised in the SOFA	259	(946)
Movement in (Deficit)/Surplus during the year:		
(Deficit)/Surplus in scheme at beginning of the year	(4,050)	(3,074)
Movement in year:		
Current service cost	(221)	(329)
Contributions	456	242
Other finance income	4	57
Actuarial gain/(loss)	259	(946)
(Deficit) in scheme at the year end	(3,552)	(4,050)

Details in experience gains/(losses) for the year to 31 December 2012

	2012	2011	2010	2009	2008
Difference between the expected and actual return on scheme assets					
Amount (£000)	396	(973)	489	806	(3,965)
Percentage of scheme assets	3.2%	(8.3%)	4.0%	7.1%	(39.0%)
Experience gains/(losses) on scheme liabilities					
Amount (£000)	14	599	139	148	(549)
Percentage of the present value of the scheme liabilities	0.1%	3.8%	0.9%	1.0%	(-4.6%)
Total amount recognised in SOFA					
Amount (£000)	259	(946)	753	(1,995)	(2,633)

16 Movement on funds (Group)

	Balance at 1 January 2012 £000	Incoming Resources £000	Resources expended £000	Transfers £000	Gains/ Losses £000	Balance at 31 December 2012 £000
Endowment funds						
Regular Payments Fund	29,810	-	-	-	1,651	31,461
FE Cobbold Trust Fund	9,347	-	-	-	518	9,865
Ulster Ladies Trust Fund	104	-	-	-	6	110
Backsettown Endowed Charity	221	-	-	-	12	233
The Georgina Tompkins Charity	68	-	-	-	4	72
	39,550	-	-	-	2,191	41,741
Restricted funds						
Regular Payments Fund	33,775	3,451	(3,995)	195	2,724	36,150
F E Cobbold Income Fund	1,431	510	-	-	128	2,069
Ulster Ladies Trust Income Fund	612	30	-	(195)	31	478
Backsettown Charity	64	11	-	-	-	75
The Georgina Tompkins Charity	-	3	(3)	-	-	-
Annuitants Relief Fund	1,172	86	(980)	-	106	384
Provision of Homes Fund	27,063	1,328	-	-	1,188	29,579
Homes of Rest for Gentlewomen	2,492	192	-	-	244	2,928
General Purposes Fund	-	221	-	(221)	-	-
Other restricted funds	4,393	600	-	-	-	4,993
Total restricted funds	71,002	6,432	(4,978)	(221)	4,421	76,656
Unrestricted funds						
General fund	3,798	3,007	(3,157)	278	292	4,218
Revaluation reserve	6,062	-	-	-	(465)	5,597
Pension reserve	(4,050)	4	235	-	259	(3,552)
Total non-designated funds	5,810	3,011	(2,922)	278	86	6,263
Designated funds						
Strategic Investment Fund	1,200	-	-	(57)	-	1,143
Property Strategy	1,700	-	-	-	-	1,700
Governance Review	100	-	-	-	-	100
Head Office Repairs Fund	173	-	-	-	-	173
Tangible Fixed Asset Fund	2,361	-	-	-	-	2,361
Total designated funds	5,534	-	-	(57)	-	5,477
Total unrestricted funds	11,344	3,011	(2,922)	221	86	11,740
Total Net Funds	121,896	9,443	(7,900)	-	6,698	130,137

In relation to income earned by non-expendable endowment funds, this is treated as restricted income in accordance with the Charities SORP 2005 and attributed to the appropriate restricted funds.

A transfer of £195,000 was made during the year from the restricted Ulster Ladies Trust Fund to the restricted Regular Payments fund in respect of regular payments made over a number of years to members residing or formerly residing in Northern Ireland or the administrative counties of Cavan, Donegal or Monaghan.

A transfer of £221,000 was also made during the year from the General Purposes restricted fund to unrestricted funds in line with Royal Charter and £57,000 was transferred from the Strategic Investment Fund to the General fund in relation to expenditure on ICT infrastructure.

Notes to the Financial Statements

For the year ended 31 December 2012

16 Movement on funds (Charity)

	Balance at 1 January 2012 £000	Incoming Resources £000	Resources expended £000	Transfers £000	Gains/ Losses £000	Balance at 31 December 2012 £000
Endowment funds						
Regular Payments Fund	29,810	-	-	-	1,651	31,461
FE Cobbold Trust Fund	9,347	-	-	-	518	9,865
Ulster Ladies Trust Fund	104	-	-	-	6	110
Backsettown Endowed Charity	221	-	-	-	12	233
The Georgina Tompkins Charity	68	-	-	-	4	72
	39,550	-	-	-	2,191	41,741
Restricted funds						
Regular Payments Fund	33,775	3,451	(3,995)	195	2,724	36,150
F E Cobbold Income Fund	1,431	510	-	-	128	2,069
Ulster Ladies Trust Income Fund	612	30	-	(195)	31	478
Backsettown Charity	64	11	-	-	-	75
The Georgina Tompkins Charity	-	3	(3)	-	-	-
Annuitants Relief Fund	1,172	86	(980)	-	106	384
Provision of Homes Fund	27,063	1,328	-	-	1,188	29,579
Homes of Rest for Gentlewomen	2,492	192	-	-	244	2,928
General Purposes Fund	-	221	-	(221)	-	-
Other restricted funds	4,305	269	-	-	-	4,574
Total restricted funds	70,914	6,101	(4,978)	(221)	4,421	76,237
Unrestricted funds						
General fund	3,798	3,007	(3,157)	278	292	4,218
Revaluation reserve	6,062	-	-	-	(465)	5,597
Pension reserve	(4,050)	4	235	-	259	(3,552)
Total non-designated funds	5,810	3,011	(2,922)	278	86	6,263
Designated funds						
Strategic Investment Fund	1,200	-	-	(57)	-	1,143
Property Strategy	1,700	-	-	-	-	1,700
Governance Review	100	-	-	-	-	100
Head Office Repairs Fund	173	-	-	-	-	173
Tangible Fixed Asset Fund	2,361	-	-	-	-	2,361
Total designated funds	5,534	-	-	(57)	-	5,477
Total unrestricted funds	11,344	3,011	(2,922)	221	86	11,740
Total Net Funds	121,808	9,112	(7,900)	-	6,698	129,718

Fund Descriptions

Endowment Funds

The Regular Payments Fund consists of over 500 individually-named annuity funds set up by specific donations and legacies since Independent Age's inception to fund annuities of various numbers and amounts. The income derived from the capital invested must be used to pay annuities.

The F E Cobbold Trust Fund was set up following a bequest to establish regular allowances for eligible persons living in the county of Suffolk and, after satisfying this requirement, to any eligible persons residing outside this area. The income derived from the capital invested is used to pay annuities as outlined. Surplus income may be used to provide grants for these persons.

The Ulster Ladies Trust Fund is managed and administered by Independent Age under its

Charter to provide annuities to eligible women residing or formerly residing in Northern Ireland or the administrative counties of Cavan, Donegal or Monaghan. The income from the capital invested is used to pay annuities.

The Backsettown Endowed Charity (together with the assets of the Backsettown Charity) was vested in Independent Age under a Charity Commission Scheme; the income only can be used to provide relief for people in need, hardship or distress or the provision of facilities to relieve such needs.

The Georgina Tompkins Charity was vested in Independent Age under a Charity Commission Scheme; the income arising is to be used to help women in reduced circumstances with preference for those from the south of England.

Restricted Funds

The Regular Payments Fund is valued annually on actuarial principles. The Royal Charter requires that the capital value of each regular allowance is calculated on an actuarial basis and sufficient capital is set aside to cover the full lifetime cost before a regular payment is granted.

The F E Cobbold Trust Fund was set up following a bequest to establish regular allowances for eligible persons living in the county of Suffolk and, after satisfying this requirement, to any eligible persons residing outside this area. The income derived from the capital invested is used to pay annuities. Surplus income may be used to provide grants for these persons.

The Annuitants' Relief Fund is a fund set up under the terms of the Royal Charter to fund the cost of one-off emergency grants to those of our beneficiaries eligible to receive such grants.

The Provision of Homes Fund is a fund set up under the terms of the Royal Charter to provide, endow, maintain and manage homes. The fund is represented by fixed assets (homes, flats and bungalows and their furniture and equipment) and an investment portfolio to provide income to support beneficiaries in non-Independent Age homes.

The Backsettown Charity is managed by Independent Age under a Charity Commission scheme to provide relief for people in need, hardship or distress or the provision of facilities to relieve such needs.

The Homes of Rest for Gentlewomen Fund is managed by Independent Age under a Charity Commission scheme. It is restricted to assisting impoverished ladies.

The General Purposes Fund is the fund to which at least 50% of legacies are placed before allocation across the other capital funds. During the year the fund was transferred to unrestricted funds in line with the donors' intentions.

Other Restricted Funds include income restricted by the donor for specific purposes.

Unrestricted Funds

The Board of Trustees' report explains the main reasons why the charity holds reserves and the adequacy of the unrestricted reserves at the year end. The reserves policy is monitored and reviewed on an annual basis.

Designated Funds

The Strategic Investment Fund has been set aside to meet the cost of expenditure to be incurred in accordance with Independent Age's strategic plan 2012 to 2015, including the development of a new ICT strategy. It also provides a strategic contingency against as yet unquantified costs relating to the charity's development over the next three years.

The Property Strategy Fund has been set aside in order to fund capital works arising out of the property strategy which will be implemented in 2013.

Notes to the Financial Statements For the year ended 31 December 2012

The **Governance Review Fund** has been set up to fund the planned review of Independent Age's governance arrangements.

The **Head Office Repairs Fund** has been established to cover both planned and emergency work to the Head Office building.

The **Tangible Fixed Assets Fund** is a designated fund set aside to reflect the fact that these amounts are tied up in assets used by the charity to undertake its charitable activities and which are therefore not available for use on other purposes.

General Funds

The **General Fund** is unrestricted funds not held or designated for other purposes and used for the general work of Independent Age.

17 Analysis of net assets between funds (Group)

	Unrestricted fund £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	Total funds £000
Tangible fixed assets	290	-	-	819	-	1,109
Investments	3,894	3,116	-	82,089	41,741	130,840
Investment properties	2,135	-	-	-	-	2,135
Programme-related investments	-	-	-	550	-	550
Current assets	3,698	2,361	-	8,533	-	14,592
Current liabilities	(202)	-	-	(2,320)	-	(2,522)
Creditors: Amount falling due after more than one year	-	-	-	(13,015)	-	(13,015)
Defined benefit pension scheme liability	-	-	(3,552)	-	-	(3,552)
Total funds	9,815	5,477	(3,552)	76,656	41,741	130,137

17 Analysis of net assets between funds (Charity)

	Unrestricted fund £000	Designated funds £000	Pension reserve £000	Restricted funds £000	Endowment funds £000	Total funds £000
Tangible fixed assets	290	-	-	819	-	1,109
Investments	3,894	3,116	-	82,089	41,741	130,840
Investment properties	2,135	-	-	-	-	2,135
Programme-related investments	-	-	-	550	-	550
Current assets	3,698	2,361	-	8,330	-	14,389
Current liabilities	(202)	-	-	(2,536)	-	(2,738)
Creditors: Amount falling due after more than one year	-	-	-	(13,015)	-	(13,015)
Defined benefit pension scheme liability	-	-	(3,552)	-	-	(3,552)
Total funds	9,815	5,477	(3,552)	76,237	41,741	129,718

18 Trustees' indemnity insurance

As permitted under its Royal Charter, in 2012 Independent Age paid charity indemnity insurance of £2,987 (2011: £3,422).

19 Trustees' remuneration and expenses

No remuneration was paid to Committee Members during the year. Expenses of £1,164 (2011: £1,427) were reimbursed to 11 (2011: 11) Committee Members.

20 Related parties and connected charities

The Florence Nightingale Aid in Sickness Trust (FNAIST), registered charity number 211896, is administered by Independent Age, as Managing Trustee, under a Charity Commission Scheme dated 13 April 2006. In 2012, FNAIST paid Independent Age the sum of £13,000 (2011: £13,000) for administration. As at 31 December 2012 FNAIST owed Independent Age £9,487 (2011: £72).

Counsel and Care merged with Independent Age in October 2011 but continues to operate as a separate charity for the collection of donations and legacies made to Counsel and Care. Independent Age is the Managing Trustee and preserves the services previously offered by Counsel and Care.

Charter Members

- 1963** His Grace the Duke of Abercorn KG
1992 Her Grace the Duchess of Abercorn
1986 Mr L V Adamson
2005 Lady Aird CVO
2009 Mr C Anson CVO
2012 Professor S Balloch (from April 2012)
2003 Mr U D Barnett
2009 Mr M Barton
2010 Ms R Bayley
2009 Mr K Bernbaum
2010 Ms L Berry OBE
2010 Ms E C Best
1982 Mr N H Bibby
1995 Miss M C L Boggis
2012 Mrs M Bremner (from April 2012)
2009 Dame Diana Brittan DBE
2011 Mr N Broadhead
2006 Mr R D H Bryce
2009 Mr S Burke
2010 Ms P Butler
2009 Mr P Cann
2005 Mrs J M Casimir
2008 Ms S Collins BSc MSc
2002 Mrs S M Cookson
1989 Mr J A Cummings
2012 Ms M Dangoor (from April 2012)
2012 Mr T Davis (from May 2012)
2012 Lady Denman (from April 2012)
2012 Mr A J Dennis (from April 2012)
2010 Ms C Dize
2007 Ms S Douthwaite MSc Minst F (cert)
FRSA
2003 Mr N G E Driver BSc FRICS
1996 Commander J R Ducker R N (Rtd)
2010 Mr S Dunmore
1998 Mrs M J Eason
2010 Mr M Else
1965 Mrs E R Evans
2003 Mr P W Fane
2012 Mrs F Findlay (from April 2012)
2010 Ms J Fitzsimmins
2009 Mr R Formby
2011 Dr J Frain
1991 Mrs D M Friend
2003 Mr N R L Fry MA FCA
2010 Mr R Furze
1996 Mrs M R Garstin
1999 Mr K R Gilham BSc FIA
2009 Dr N Graham BM, Bch, FRCPsych, DUniv
2009 Mr M Green
2005 Mr R H Gritten BA MSc FRSA
2009 Mr R Gutch
2011 Dr H Hanbury
2010 Mr D Harker
2004 Mr M A Hayes
1996 Miss D A K Hayman
2012 Miss P Hibbs (from April 2012)
2012 Mr T Hitchcock (Treasurer from May
2012)
2012 Miss D Hodson (from April 2012)
1999 Mr A M Hogg
1992 Lieutenant Colonel E T Horsford MBE
MC
2006 Mr T J Howe MA FCA (Treasurer to
May 2012)
1990 Dr T G Hudson MB BChir MRCP
2005 Mrs F C Hughes
1995 Miss J S Humber MBE RGN RMN (to
November 2012)
2008 Mr R Humphries
1980 Mr J M Hunt MA BLitt
1981 Mr T W A Jackson-Stops FRICS
2011 Ms C Jacobs
1980 Mrs J L I James
1990 Mrs G Kench
1972 Mr M Kench OBE FCII

- 2009** Professor M Knapp
- 1995** Mrs A P F Kyngge
- 2012** Stella Kyriazis, Countess Caridi (from June 2012)
- 1974** Mrs B Laidlaw
- 1991** Lady Laing
- 2009** Mrs C Loyd
- 1977** Dr A D MacAdam
- 1986** Mrs J Macdonald
- 1964** The Lady Jean Mackenzie CBE (to October 2012)
- 1990** Mr R R Mackenzie (to October 2012)
- 2010** Professor J Manthorpe
- 1986** Mrs M E G Martineau
- 1995** Dr J S Meyrick
- 1983** Mrs A F Moore-Gwyn
- 2001** Mr R A Morris DL
- 1979** Mrs V E Morrison
- 2009** Mr J Murphy (to February 2012)
- 1986** Mrs S Neilson
- 2010** The Rt. Hon. the Baroness Neuberger
- 1991** Mr C R M Notcutt OBE (to November 2012)
- 2002** Mrs P A O'Brien
- 2010** Mr G Oppenheim
- 1996** Mr P W Parker TD
- 1991** Mrs J I Parkinson
- 2012** Mr G Patterson (from May 2012)
- 2009** Mr J Pedder
- 1971** Mrs C H D Pemberton
- 1981** The Hon Mrs S B Phillimore
- 1985** Mr P G Pollock MA FCA
- 1994** Mr M E Portch FCA
- 1996** Mrs G Powell
- 2004** Mr H M Priestley
- 2001** Mr A Provis
- 2008** Mrs H R Raikes
- 1989** Mr W Rathbone OBE MA (Oxon)
- 2008** Ms S H Reed
- 1983** Mr E M Reeves
- 2012** Lady Riches (from May 2012 to November 2012)
- 2010** Ms A Roberts
- 1994** Miss P Routledge CBE D Litt
- 2009** Professor J Schneider
- 2010** Mr R Sime
- 2009** Mr R Smith
- 1989** Mrs D M Spence
- 1998** Mrs A K Steel
- 1994** Mr P Stirrup MA FIA
- 2001** Mr R N Strathon MA FRICS
- 1985** Mr J G Tregoning
- 1999** Mr W G Underwood
- 2011** Mr I Watson BA MBA CA
- 1994** Dr R Webb VRD FRCGP MRCS LRCP
- 1989** Mr J R Whately
- 2009** Ms K Whitehorn
- 2010** Mrs D Wilkinson
- 1979** Mrs D A C Wilson
- 1992** Professor H S Wolff BSc FI Biol
- 2001** Mrs M Worlidge
- 2011** The Rt. Hon. the Earl of Yarborough

As at 31 December 2012



advice and support for older age

**Independent
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