

# Directors' Report & Financial Statements

For the year ended 31 March 2009

## Age Concern Trafford (Trading) Limited

Registered Company No. 02902846



Merchant Exchange - Whitworth Street West -  
Manchester - M1 5WG  
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# AGE CONCERN TRAFFORD (TRADING) LIMITED

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## COMPANY INFORMATION

|                          |  |
|--------------------------|--|
| <b>Directors</b>         | P J Parnacott<br>G A Tennant<br>C France (resigned December 2008)  |
| <b>Company number</b>    | 02902846   |
| <b>Registered office</b> | 20a Station Road<br>Urmston<br>Manchester<br>M41 9JN   |
| <b>Auditors</b>          | Mazars LLP<br>Registered Auditor & Chartered Accountants<br>Merchant Exchange<br>Whitworth Street West<br>Manchester<br>M1 5WG |
| <b>Bankers</b>           | Royal Bank of Scotland plc<br>2 Crofts Bank Road<br>Urmston<br>Manchester<br>M31 1TU   |

# AGE CONCERN TRAFFORD (TRADING) LIMITED

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| CONTENTS                                       | Page |
|--|------|
| Directors' report                              | 1    |
| Statement of directors' responsibilities       | 2    |
| Independent auditors' report                   | 3    |
| Profit and loss account                        | 4    |
| Statement of total recognised gains and losses | 5    |
| Balance sheet                                  | 6    |
| Notes to the financial statements              | 7    |

# AGE CONCERN TRAFFORD (TRADING) LIMITED

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## DIRECTORS' REPORT

For the year ended 31 March 2009

The directors present their report and the financial statements for the year ended 31 March 2009.

### Principal activities

The company is principally engaged in the sale of household insurance, prepaid funeral plans and utilities.

### Directors

The directors who served during the year were:

P J Parnacott  
G A Tennant  
C France (resigned December 2008)

### Provision of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

### Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 8/9/09 and signed on its behalf.

G A Tennant  
Director



**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**For the year ended 31 March 2009**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE CONCERN TRAFFORD (TRADING) LIMITED**

We have audited the financial statements of Age Concern Trafford (Trading) Limited for the year ended 31 March 2009, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985, and whether the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

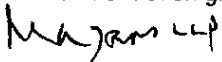
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

  
**Mazars LLP**  
Registered Auditor  
Merchant Exchange  
Whitworth Street West  
Manchester  
M1 5WG  
18.09.09

# AGE CONCERN TRAFFORD (TRADING) LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 March 2009

|  | Note | 2009<br>£ | 2008<br>£ |
|--|------|-----------|-----------|
| Turnover   | 1    | 66,376    | 66,966    |
| Administrative expenses                              |      | (68,703)  | (62,410)  |
| Operating (loss)/ profit                             | 2    | (2,327)   | 4,556     |
| Interest receivable                                  | 3    | 373       | 452       |
| (Loss)/profit on ordinary activities before taxation |      | (1,954)   | 5,008     |
| Tax on (loss)/profit on ordinary activities          | 4    | -         | -         |
| (Loss)/profit on ordinary activities after taxation  | 9    | (1,954)   | 5,008     |

# AGE CONCERN TRAFFORD (TRADING) LIMITED

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## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES For the year ended 31 March 2009

|  | 2009<br>£     | 2008<br>£     |
|--|---------------|---------------|
| (Loss)/profit for the year                             | (1,954)       | 5,008         |
| Actuarial (loss)/gain recognised in the pension scheme | (11,000)      | 12,000        |
| Total recognised gains for the year                    | (12,954)      | 17,008        |
| Funds brought forward                                  | 27,492        | 10,484        |
| Funds carried forward                                  | <u>14,538</u> | <u>27,492</u> |



# AGE CONCERN TRAFFORD (TRADING) LIMITED

## BALANCE SHEET As at 31 March 2009

|   |      | 2009            | 2008           |
|---|------|-----------------|----------------|
|   |      | £               | £              |
|   | Note |                 |                |
| <b>Fixed assets</b>                                   |      |                 |                |
| Tangible fixed assets                                 | 5    | 9,946           | 12,242         |
| <b>Current assets</b>                                 |      |                 |                |
| Debtors   | 6    | 11,197          | 12,431         |
| Cash at bank and in hand                              |      | 31,222          | 23,000         |
|   |      | <u>42,419</u>   | <u>35,431</u>  |
| <b>Creditors: amounts falling due within one year</b> | 7    | <u>(16,825)</u> | <u>(8,179)</u> |
| <b>Net current assets</b>                             |      | <u>25,594</u>   | <u>27,252</u>  |
| <b>Net assets excluding pension liability</b>         |      | <u>35,540</u>   | <u>39,494</u>  |
| Pension liability                                     |      | (21,000)        | (12,000)       |
| <b>Net assets including pension liability</b>         |      | <u>14,540</u>   | <u>27,494</u>  |
| <b>Capital and reserves</b>                           |      |                 |                |
| Called up share capital                               | 8    | 2               | 2              |
| Profit and loss account                               | 9    | 14,538          | 27,492         |
| <b>Shareholders' funds</b>                            |      | <u>14,540</u>   | <u>27,494</u>  |

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8/9/09

*G A Tennant*

G A Tennant  
Director

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2009

**1. ACCOUNTING POLICIES**

**1.1. Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

**1.2. Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

**1.3. Tangible fixed assets and depreciation**

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

|                              |   |                 |
|------------------------------|---|-----------------|
| Land and buildings leasehold | - | period of lease |
| Plant and machinery, etc     | - | four years      |

**1.4. Operating leases**

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

**1.5. Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

The company operates a defined benefits pension scheme. The assets of the scheme are invested and managed independently of the company.

Pension costs are assessed in accordance with the advice of an independent qualified actuary. The pension scheme liabilities are measured using the projected unit method and the pension scheme deficit is recognised in full on the balance sheet.

The most recent valuation of the defined benefit pension scheme was at 1 April 2007.

**2. OPERATING PROFIT/(LOSS)**

The operating profit/(loss) is stated after charging:

|  | 2009<br>£    | 2008<br>£    |
|--|--------------|--------------|
| Depreciation of tangible fixed assets: |              |              |
| - owned by the company                 | 2,296        | 2,386        |
| Auditors' remuneration                 | 1,950        | 1,500        |
| Pension costs                          | 5,800        | 8,103        |
| Operating lease rentals                | 2,750        | 8,096        |
|  | <u>2,750</u> | <u>8,096</u> |

During the year, no director received any emoluments (2008: £nil).

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2009

3. INVESTMENT INCOME

|               | 2009<br>£  | 2008<br>£  |
|---------------|------------|------------|
| Bank interest | <u>373</u> | <u>452</u> |

4. TAXATION

|   | 2009<br>£ | 2008<br>£ |
|---|-----------|-----------|
| UK corporation tax charge on profit/(loss) for the year | <u>-</u>  | <u>-</u>  |

5. TANGIBLE FIXED ASSETS

|                                   | Land &<br>buildings<br>£ | Plant &<br>machinery<br>£ | Total<br>£    |
|-----------------------------------|--------------------------|---------------------------|---------------|
| <b>Cost</b>                       |                          |                           |               |
| At 1 April 2008 and 31 March 2009 | <u>23,870</u>            | <u>7,859</u>              | <u>31,729</u> |
| <b>Depreciation</b>               |                          |                           |               |
| At 1 April 2008                   | 11,935                   | 7,552                     | 19,487        |
| Charge for the year               | <u>1,989</u>             | <u>307</u>                | <u>2,296</u>  |
| At 31 March 2009                  | <u>13,924</u>            | <u>7,859</u>              | <u>21,783</u> |
| <b>Net book value</b>             |                          |                           |               |
| At 31 March 2009                  | <u>9,946</u>             | <u>-</u>                  | <u>9,946</u>  |
| At 31 March 2008                  | <u>11,935</u>            | <u>307</u>                | <u>12,242</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

6. DEBTORS

|                                    | 2009<br>£     | 2008<br>£     |
|------------------------------------|---------------|---------------|
| Trade debtors                      | 6,865         | 7,706         |
| Amounts owed by group undertakings | 3,931         | 4,324         |
| Other debtors                      | 401           | 401           |
|                                    | <u>11,197</u> | <u>12,431</u> |

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                 | 2009<br>£     | 2008<br>£    |
|-----------------|---------------|--------------|
| Other creditors | <u>16,825</u> | <u>8,179</u> |

8. SHARE CAPITAL

|   | 2009<br>£  | 2008<br>£  |
|---|------------|------------|
| <b>Authorised:</b>                        |            |            |
| 100 Ordinary shares of £1 each            | <u>100</u> | <u>100</u> |
| <b>Allotted, called up and fully paid</b> |            |            |
| 2 Ordinary shares of £1 each              | <u>2</u>   | <u>2</u>   |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2009

**9. RESERVES**

|   | 2009<br>£ |
|---|-----------|
| Reserves at 31 March 2008                       | 27,492    |
| Loss in the year to 31 March 2009               | (1,954)   |
| Actuarial loss recognised in the pension scheme | (11,000)  |
|   | <hr/>     |
| Reserves at 31 March 2008                       | 14,538    |
|   | <hr/>     |

**10. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption in FRS 8 from the requirement to disclose transactions with related parties within the group.

**11. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate controlling party is Age Concern Trafford, a registered charity, by virtue of its 100% shareholding in the company. Age Concern Trafford prepares consolidated financial statements, which can be obtained from 20a Station Road, Urmston, Manchester, M41 9JN.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

## 12. RETIREMENT BENEFITS

The company operates a defined benefit scheme. A full actuarial valuation was carried out as at 1 April 2007 and updated to 31 March 2009 by a qualified independent actuary.

The Scheme is closed to new entrants. In accordance with FRS 17, the valuation of the scheme's liabilities has been determined using the projected unit method. In these circumstances the use of this method can lead to the contribution rate underlying the current service cost increasing in future years. The Employer currently has no contingent assets in relation to the Scheme.

The major assumptions used by the actuary were:

| Assumptions as at  | 31 March<br>2009 | 31 March<br>2008 | 31 March<br>2007 |
|--|------------------|------------------|------------------|
| Rate of increase in salaries   | N/A              | 3.50%            | 4.30%            |
| Rate of increase to pensions in payment for members who left service before 6/4/97 | 3.00%            | 3.00%            | 3.00%            |
| Rate of increase to pensions in payment for other members:                         |                  |                  |                  |
| Pre 01/04/04 pension   | 3.30%            | 3.70%            | 3.50%            |
| Post 01/04/04 – pre 06/04/05 pension   | 2.90%            | 3.50%            | 3.00%            |
| Post 06/04/05 pension  | 2.30%            | 2.40%            | 2.30%            |
| Rate of increase of deferred pensions  | 2.90%            | 3.50%            | 3.00%            |
| Discount rate for scheme liabilities   | 6.70%            | 6.80%            | 5.35%            |
| Inflation assumption   | 2.90%            | 3.50%            | 3.00%            |

The mortality assumptions for the disclosures at 31 March 2009 were:

|                       | 31 March<br>2009   | 31 March<br>2008   | 31 March<br>2007                       |
|-----------------------|--|--|--|
| Mortality assumptions | PA00 base tables projected by year of birth using the PA92 medium cohort | PA00 base tables projected by year of birth using the PA92 medium cohort | PA92 tables projected by year of birth |

| The assumed life expectancies on retirement at age 65 are: | 31 March<br>2009 | 31 March<br>2008 | 31 March<br>2007 |
|--|------------------|------------------|------------------|
| Retiring Today - males                                     | 86.8             | 86.7             | 84.8             |
| Retiring Today - females                                   | 89.1             | 89.0             | 87.8             |
| Retiring in 20 years - males                               | 87.9             | 87.9             | 86.0             |
| Retiring in 20 years - females                             | 90.1             | 90.0             | 89.0             |

The group contributions during the accounting period amounted to £6,000 and the agreed company contributions for the coming year are £3,000.

The Scheme closed to future accrual on 30 November 2008. In accordance with FRS 17, the valuation of the Scheme's liabilities has been determined using the projected unit method. Since the Scheme is now closed to future accrual, the service cost is in respect of the 8 month period from 1 April 2008 to 30 November 2008. The employer currently has no contingent assets in relation to the Scheme.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

## 12. RETIREMENT BENEFITS (continued)

The assets in the scheme and the expected rate of return were:

|  | Value<br>2009<br>£'000 | Expected<br>return<br>2009<br>% | Value<br>2008<br>£'000 | Expected<br>return<br>2008<br>% | Value<br>2007<br>£'000 | Expected<br>return<br>2007<br>% |
|--|------------------------|---------------------------------|------------------------|---------------------------------|------------------------|---------------------------------|
| Equities                               | 28                     | 7.50%                           | 33                     | 8.00%                           | 33                     | 7.25%                           |
| Gilts                                  | 16                     | 3.30%                           | 18                     | 4.00%                           | 17                     | 4.30%                           |
| Bonds                                  | 9                      | 6.20%                           | 9                      | 6.40%                           | 10                     | 4.90%                           |
| Property                               | 5                      | 6.00%                           | 6                      | 5.50%                           | 7                      | 6.00%                           |
| Cash                                   | 1                      | 0.00%                           | -                      | 4.75%                           | -                      | 4.75%                           |
| Market value of assets                 | 59                     |                                 | 66                     |                                 | 67                     |                                 |
| Present value of<br>scheme liabilities | (80)                   |                                 | (78)                   |                                 | (90)                   |                                 |
| Actuarial deficit                      | (21)                   |                                 | (12)                   |                                 | (23)                   |                                 |
| Net pension liability                  | (21)                   |                                 | (12)                   |                                 | (23)                   |                                 |

The expected return on plan assets is based on market expectations at the beginning of the financial period for returns over the life of the related obligation.

The expected return on scheme assets is derived as the weighted average of the expected returns from each of the main asset classes. The equity investments and bonds which are held in the scheme assets are quoted and are valued at the current bid price. The expected yields on fixed interest investments are based on gross redemption yields and expected returns on equity investments reflect rates of return experienced in the respective markets.

The actual return on the scheme assets in the year was £(19,000) (2008: (£14,000))

The Company expects to contribute £3,000 to its defined benefit scheme in the next financial year.

**Analysis of the amounts charged to operating profit / (loss)**

|                        | 2009<br>£ | 2008<br>£ |
|------------------------|-----------|-----------|
| Current service cost   | 3,000     | 6,000     |
| Total operating charge | 3,000     | 6,000     |

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2009

12. RETIREMENT BENEFITS (continued)

Analysis of the amounts (credited) / charged to other income

|  | 2009<br>£      | 2008<br>£      |
|--|----------------|----------------|
| Expected return on pension scheme assets | 4,000          | 4,000          |
| Interest on pension scheme liabilities   | (5,000)        | (5,000)        |
| Net return                               | <u>(1,000)</u> | <u>(1,000)</u> |

Analysis of the amounts included within the statement of total recognised gains and losses

|   | 2009<br>£       | 2008<br>£     |
|---|-----------------|---------------|
| Actual return less expected return on pension scheme assets                   | (15,000)        | (10,000)      |
| Experience gains and losses arising on the scheme liabilities                 | (2,000)         | 4,000         |
| Changes in assumptions underlying the present value of the scheme liabilities | 6,000           | 18,000        |
| Actuarial (loss)/gain   | <u>(11,000)</u> | <u>12,000</u> |

|                                   | 2009<br>£     | 2008<br>£     |
|-----------------------------------|---------------|---------------|
| Assets in scheme at start of year | 66,000        | 67,000        |
| Movement in year:                 |               |               |
| Expected return on scheme assets  | 4,000         | 4,000         |
| Actuarial loss on scheme assets   | (15,000)      | (10,000)      |
| Contributions by company          | 6,000         | 6,000         |
| Contributions by employees        | 1,000         | 2,000         |
| Benefits paid                     | (3,000)       | (3,000)       |
| Assets in scheme at end of year   | <u>59,000</u> | <u>66,000</u> |



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

12. RETIREMENT BENEFITS (continued)

Movement in scheme liabilities during the year

|  | 2009<br>£     | 2008<br>£     |
|--|---------------|---------------|
| Liabilities in scheme at start of year                                     | 78,000        | 90,000        |
| Movement in year:  |               |               |
| Current service cost   | 3,000         | 6,000         |
| Contributions  | 1,000         | 2,000         |
| Interest cost  | 5,000         | 5,000         |
| Experience gains and losses on scheme liabilities                          | 2,000         | (4,000)       |
| Loss arising from changes in assumptions underlying the scheme liabilities | (6,000)       | (18,000)      |
| Benefits paid  | (3,000)       | (3,000)       |
| Liabilities in scheme at end of year                                       | <u>80,000</u> | <u>78,000</u> |

Movement in deficit during the year

|                                    | 2009<br>£       | 2008<br>£       |
|------------------------------------|-----------------|-----------------|
| Deficit in scheme at start of year | (12,000)        | (23,000)        |
| Movement in year:                  |                 |                 |
| Current service cost               | (3,000)         | (6,000)         |
| Contributions                      | 6,000           | 6,000           |
| Other finance income               | (1,000)         | (1,000)         |
| Actuarial gain                     | (11,000)        | 12,000          |
| Deficit in scheme at end of year   | <u>(21,000)</u> | <u>(12,000)</u> |

Historical information

|  | 2009<br>£      | 2008<br>£       |
|--|----------------|-----------------|
| Total market value of assets   | 59,000         | 66,000          |
| Present value of scheme liabilities  | (80,000)       | (78,000)        |
| Deficit in the scheme  | (21,000)       | (12,000)        |
| Experience losses on scheme liabilities                                    | 2,000          | (4,000)         |
| Actuarial loss on pension scheme assets                                    | (15,000)       | (10,000)        |
| Gain arising from changes in assumptions underlying the scheme liabilities | <u>(6,000)</u> | <u>(18,000)</u> |

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2009

**12. RETIREMENT BENEFITS (continued)**

**Movement in scheme liabilities during the year**

**History of experience gains and losses**

|  | 2009              | 2008              |
|--|-------------------|-------------------|
| Difference between the expected and actual return on scheme assets | £(15,000)         | £(10,000)         |
| Percentage of scheme assets  | (25.4%)           | (15.2%)           |
| Experience (gains) and losses on scheme liabilities                | £2,000            | £(4,000)          |
| Percentage of the present value of the scheme liabilities          | 2.5%              | (5.1%)            |
| Total actual gain or loss  | £(6,000)          | £(18,000)         |
| Percentage of the present value of the scheme liabilities          | (7.5%)            | (23.1%)           |
|  | <u>          </u> | <u>          </u> |