

ELIZABETH FINN CARE

REPORT OF THE BOARD OF TRUSTEES

and

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2009

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Legal and Administration

Board of Trustees

The Charity's Trustees as at 7 July 2009 or who served as a Trustee in the financial year ended 31 March 2009 were:

- | | |
|---|---|
| * Mr Richard Down FCA (Chairman from 14 May 2008) | Dr Michael Harding |
| Mr Charles Anson CVO (resigned 1 July 2008) | Dr Shaheena Janjuha-Jivraj (resigned 20 January 2009) |
| Mr David Astor CBE DL | Mrs Annabel Mackenzie |
| Mr Matthew Baker (appointed 7 October 2008) | * Mr Michael Pavia FCA (appointed 10 July 2008) |
| Mrs Susan Bonsor | Mrs Francesca Quint |
| The Viscountess Downe JP DL | Mr John Stephen |
| * Mr Richard Halcrow | Mr Martin Watts (resigned 31 March 2009) |
| | * Mr Adrian White FCA (resigned 14 May 2008) |

*Members of the Audit Committee

The following Trustees retired in 2008 in accordance with Article 3.4 of the Articles of Association and, after offering themselves for re-election, were re-appointed at the Annual General Meeting on 7 October 2008:

Mrs Susan Bonsor, Dr Michael Harding, Mr John Stephen

The following Trustee retired in 2008 in accordance with Article 3.7 of the Articles of Association and, after offering himself for re-election, was re-appointed at the Annual General Meeting on 7 October 2008:

Mr Michael Pavia

Chief Executive and Company Secretary

Mr Jonathan Welfare

Auditors

Kingston Smith LLP
Devonshire House, 60 Goswell Road, London EC1M 7AD

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields, London WC2A 3LH

Bankers

Lloyds TSB Bank plc
179 Earls Court Road, London SW5 9RE

Investment Managers

Smith & Williamson Investment Management Limited
25 Moorgate, London, EC2R 6AY

iimia plc

23 Cathedral Yard, Exeter, Devon EX1 1HB

UBS Wealth Management (UK) Ltd

1 Curzon Street, London, W1J 5UB

Pension Consultants

Xafinity Consulting Limited, 3rd Floor, 110 Fenchurch Street, London EC3M 5JT

Registered Office

1 Derry Street, London W8 5HY

Charity registration number 207812

Company registration number 515297

Report of the Board of Trustees for the year ended 31 March 2009

Introduction

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 1985, submit their annual report and the audited financial statements for the year ended 31 March 2009 in accordance with Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

Governing Document

Elizabeth Finn Care was founded in 1897 as The Distressed Gentlefolk's Aid Association and incorporated on 19 January 1953 as a charitable company limited by guarantee. It is governed by a Memorandum and Articles of Association, which were last amended on 23 April 2007.

Structure, Governance and Management

The Board consists of at least seven and not more than fifteen individuals, all of whom must be members of the charitable company. Membership is open only to the Trustees. The existing members of the Board appoint new Trustees and Trustees appointed in this manner hold office until the next Annual General Meeting. When considering filling vacancies, the Board takes into account the experience needed to maintain the Board's ability in effectively directing the full range of activities. The Board normally engages professional executive search and selection firms in the process of making new appointments and arranges appropriate induction for any new Trustee. Training needs are assessed and met from time to time.

The Board meets four times each year. In addition, the Trustees with other volunteers are formed into committees that focus on the major subject areas, which are: Audit, Investment, Case, Homes, Remuneration and Nomination. Each committee normally meets four times each year, except the Homes Committee, which meets three times and the Audit Committee, which meets twice. The Chairman of the Audit Committee is a post that is independent of the Board of Trustees; Mr Desmond McCann FCA was appointed to the post on 31 March 2009. The Board and committee meetings include attendance by the Chief Executive, other executives and employed staff. Trustees are, therefore, able to monitor closely performance against plans and to participate in all significant decision making processes.

County Committees represent and co-ordinate the activities of dedicated supporters of the Charity at the local level. Regional Conferences are held with all such supporters and the conferences provide a valuable exchange of information and discussions for assessing the Charity's effectiveness and considering future changes.

The Charity is the sole member of Turn2us, a charitable company limited by guarantee established by the Charity on 5 March 2007 for providing free support to people living in poverty in the UK by improving the efficiency of the distribution of funds from both the public and third sectors. The Trustees of both charities have agreed to merge into a single charity in 2009, as the combined resources and services will be more effective in helping the 13 million people in the UK currently living in poverty.

The Charity is organised into the Case department, which is directly responsible for applying the casework policy and guidelines approved by the Board of Trustees concerning assessment of applications for financial support and the grants and allowances to be paid, plus the central support departments; Finance, Property Services, Fundraising and Communications

The Charity remains the sole trustee for seven other charities (see Note 13) The constitutions of all seven charities enable their income to be used to supplement the charitable activities of the Charity. However, in the case of Dresden Homes Trust preference is given to making grants to the beneficiaries that were being supported before its merger with the Charity. In the case of The Lloyd's Support Fund preference is given to making grants for the relief of the need of such members or former members of Lloyd's for the time being suffering from severe financial hardship as a result of meeting their respective underwriting liabilities at Lloyd's and the family or dependents of such persons. The accounts for all seven charities have been

consolidated with those of the Charity and are identified in the Charity's Statement of Financial Activities and Balance Sheets as Restricted and Permanent Endowment funds.

Elizabeth Finn Homes Limited (EFHL) is a wholly owned subsidiary responsible for the management and operation of the Charity's ten Care homes and the eleven Colehaven almshouses. EFHL has its own board of eight directors, four of whom are Trustees of the Charity. EFHL's Board of Directors is directly accountable to the Charity's Board of Trustees. Elizabeth Finn Trading Limited, also a wholly owned subsidiary, remains dormant.

Objects

The Charity's Objects are to relieve and assist, in such ways as the Trustees think fit (but without regard to religious or political affiliation) residents or nationals of the United Kingdom or the Republic of Ireland: -

1. who are from a professional or similar background and who are suffering from old age, infirmity, disablement or financial need; or
2. who are otherwise in conditions of need, hardship or distress.

Activities and Aims

The Charity, as a group, has three main areas of activity: casework, Turn2us and the provision of residential and nursing care. The Charity monitors its performance against key performance indicators or targets.

Casework increased the number of eligible beneficiaries supported with direct grants by 12% over the previous year to 3,324 compared to a target increase of 15%. There was a very large increase in the number of grant applications during the year and the resulting large increase in casework load prevented achieving the target. The Charity aims at maintaining the same high growth rate of 12% for the number of supported beneficiaries in 2009/10. The help is represented by the provision of financial grants and periodic allowances or advice where financial assistance is otherwise not available to eligible individuals who are suffering financial hardship. The grants and allowances policy sets amounts that can be paid without compromising the beneficiaries' state benefits. Those helped are predominantly older people, but over the year the number aged below 60 has increased from 47% to 48%. The role of volunteers as visitors to accepted and prospective beneficiaries is of increasing importance, in order that the Case department can improve the quality and quantity of casework rather than rely entirely on additional paid staff.

Turn2us achieved its aims by providing information and access on grants, benefits and other income maximisation tools in one comprehensive website (www.turn2us.org.uk), support on a helpline and services for people and agencies who help people in need. Turn2us also carries out research to inform policy and raises awareness of benefits and grants, to improve uptake.

Turn2us website, first launched in October 2007, was relaunched in November 2008 with: extended knowledge base on benefits, grants and managing money; new intermediary service; new design branding; and functionality. The website received 108,683 visits during the year compared to the target of 99,000 visits. Scoping and planning of the next phase of the website development is underway. The phase will focus on four key areas: expanding the charities database from 750 to 3,300 charities and redesigning the search functionality; enhancing user journeys; developing user interactivity and use of common social media marketing tools; and developing further content, such as news.

Turn2us pilot helpline went live on 17 November 2008 and the service was outsourced to LTL Connect to cover a six-month pilot period. It received enquiries from intermediaries, charities and members of the public channelled from other helplines and from specific targeted marketing activities. Helpline received around 5,000 calls by the end of the pilot period. A target of 30,000 calls is set for 2009/10.

Turn2us secured funding from Department of Children, Schools and Families (DCSF) for a pilot service to start in May 2009 in partnership with Home Start UK and Child Poverty Action Group (CPAG). The pilot service is to support Home Start volunteers to help families access benefits, tax credits and grants available to them.

