

AGE UK BRISTOL

Report and Financial Statements

31 March 2019

Registered No: 02984207

Charity No: 1042548

AGE UK BRISTOL

FINANCIAL STATEMENTS for the YEAR ENDED 31 MARCH 2019

CONTENTS	PAGE
Legal and administrative information	1
Report of the trustees	2
Independent auditor's report	8
Statement of financial activities	11
Balance sheet	12
Statement of cash flow	13
Notes to the financial statements	14

AGE UK BRISTOL

LEGAL AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2019

The organisation is a charitable company (registration number 02984207) limited by guarantee, incorporated on 28 October 1994 and registered as a charity (number 1042548) on 6 December 1994. Following the merger of the national charity Age Concern with Help the Aged to form Age UK nationally, the name of this charity was changed to Age UK Bristol by a resolution at the Board meeting on 2 December 2010.

Trustees

Alan Carpenter	
Geoffrey Clements	Treasurer
Susan Perry (retired 4 April 2019)	
Pat Robinson	
Dr Graham Pegg (retired 4 April 2019)	
Peter Scott	Chair
Joan Cox	
Ombola Olatunde (retired 21 January 2019)	
Mina Malpass	
Caroline Bolhoven	
Vincent Cheng	
Ashley Jones	
Paulette North (appointed 11 March 2019, resigned 18 July 2019)	
Prof Karen West (appointed 11 March 2019)	
Sam Goddard (appointed 11 March 2019, resigned 1 August 2019)	

Chief Executive

Mark Baker

Company Secretary

Geoffrey Clements

Registered Office and Operation Address

Canningford House, 38 Victoria Street, Bristol, BS1 6BY

Auditors

Nexia Smith & Williamson, Portwall Place, Portwall Lane, Bristol, BS1 6NA

Bankers

The Co-operative Bank, 16 St Stephen Street, Bristol, BS1 1JR

Triodos Bank plc, Deanery Road, Bristol BS1 5AS

Solicitors

Burges Salmon, Narrow Quay House, Prince Street, Bristol, BS1 4AH

AGE UK BRISTOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report and the audited financial statements for the year ended 31 March 2019.

Objects

To promote the relief of elderly people in any manner which now or hereafter may be deemed by law to be charitable within the City and County of Bristol.

Structure, governance and management

The charitable company was set up under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the Trustees are elected at the AGM to serve a period of 3 years, subject to ratification at each AGM. Trustees may stand for 2 further terms of 3 years. In exceptional circumstances, a Trustee with particular skills may be asked to continue for a further 3 year term.

Trustees and members

Trustees, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 1.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2019 was 13 (2018 – 12).

No Trustee was reimbursed travelling and subsistence expenses incurred during the year. Trustee Indemnity Insurance cover was taken out at a cost of £925 (2018 - £1,050).

Key management, who are deemed to be the Trustees and the Chief Executive Officer, were paid total remuneration during the year of £56,270 (2018 - £55,741). The level of remuneration is set by the Trustees, taking into account the responsibilities of the post, and the level of remuneration of similar responsible posts in the local charitable sector.

Appointment of Trustees

Potential Trustees are identified by the Chairman and other Trustees or through appropriate advertisement, and are invited to attend a board meeting before deciding whether to accept appointment.

A skills audit of existing Trustees has been carried out and the recruitment of Trustees is designed to rectify gaps in the skills available, and maintain those currently covered. In general Trustees will bring a specific skill (e.g. financial or legal), or will have experience of working with older people in the charitable sector.

Trustee induction and training

Trustees are provided with a handbook which gives details of the organisation and functions of the charity, and the legal and other responsibilities of Trustees. New Trustees also have an induction session with the Chief Executive, when they are introduced to key staff and the principal activities of the charity.

Trustees are invited to attend an away day with all staff and volunteers, when policy and strategy are formulated.

AGE UK BRISTOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Organisation

The full board of Trustees meets every six weeks to determine policy and monitor performance.

The day to day management of the charity is entrusted to the Chief Executive. The Chair, and Vice Chair meet regularly with the Chief Executive to direct the organisation.

Related parties

The charity is federated to the national organisation Age UK ("AU"), to whom a subscription is paid. AU provides the framework for the trading activities. AU also provides support for the Advice and Information work and other advice as required.

Age UK Bristol ("AUKB") attends meetings of the Bristol Old People's Forum, which rents offices from AUKB, and which co-ordinates the views and actions of charities working for older people in the Bristol area.

Bristol City Council funds two major segments of the work AUKB carries out (Supporting People and the Withywood New Beginnings Day Centre).

In 2014/5, Age UK Bristol joined with a number of other age-related charities in Bristol to mount a bid for Big Lottery Funding under the title "Bristol Ageing Better". The bid was successful, and the BAB board developed a strategy for utilising the funds of approximately £6 million which is being received over the 5 year period. AUKB was elected to be the lead organisation for this bid, and is responsible for receiving and disbursing funds in accordance with the decisions of the BAB board.

Results

The income available for charitable activities for the year amounted to £2,607,167 (2018 - £2,007,032), £2,371,345 (2018 - £2,094,457) was used on restricted projects. Unrestricted reserves now stand at £225,543 (2018 - £231,375) after bearing the deficits for the year on certain restricted projects run by the charity of £132,659 (see note 15 on page 27).

How our activities deliver public benefits

All the activities of the charity are designed to benefit any member of the public who falls within the age criteria. This is achieved either by directly improving the comfort, psychological welfare, or financial position of the service users, or by indirectly enabling service users to improve their own circumstances.

The Trustees confirm that they have duly taken note of the guidance published by the charity commission.

AGE UK BRISTOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Review of the year

Age UK Bristol continued to have a leading role in Bristol Ageing Better (BAB), which has become the most significant initiative in the city to tackle loneliness and isolation. In leading the programme the organisation became a major commissioner. Over the 5 years of the programme we will tender out almost £6 million of lottery funding.

During the year

- a) The Advice and Information team assisted some 1,700 people, and enabled them to claim entitlements in excess of £2,600,000
- b) The New Beginnings team provided lunch and companionship for some 42 older people, supplying 4,900 meals
- c) The Supporting People team helped some 127 older people with addiction problems and chaotic lifestyles
- d) The Footcare team provided toenail-cutting and foot care to 342 older people
- e) The BAB team managed 14 programmes designed to assist older people in Bristol

Financial review

The Advice & Information service continues to suffer from lack of funds. The Trustees have accepted that this is a core service which should be funded from unrestricted reserves in the event that there is insufficient dedicated income.

Smaller deficits were also incurred on Supporting People, Community Development and Footcare.

The charity was fortunate to receive legacies of £227,479 in 2016/17, which helped to eliminate the expected deficit for that year, so that there was a surplus for that year of £170,003, of which £122,000 was designated as a fund for future developments and programme support. £62,000 was released from that fund in 2017/18, and £60,000 in 2018/19 to help maintain the services we run. In 2018/19 our income from legacies was £0. This is a vital source of funds for the organisation, and we continue to encourage supporters to help us in this way

Much of our work is carried out by volunteers working with paid staff. During the year we were supported by 67 volunteers, offering 1,020 hours of service per month. This is a major contribution to the work we do, and we are always keen to recruit new volunteers.

Reserves policy

The Trustees have established a policy whereby the remaining unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between 3 and 6 months of the resources expended (excluding the expenditure on behalf of Bristol Ageing Better), which equates to £150,000 to £300,000 in general terms. At this level, the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. At present the free reserves, which amount to £219,664 are in the middle of this target range.

AGE UK BRISTOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Investment policy

The Trustees have considered the most appropriate policy for investing funds and have decided to hold charity funds in specialist charity bank deposit accounts. These have given a very modest income for the year, in line with similar deposits.

Fundraising

Age UK Bristol has in place a fundraising standards policy in line with the Institute of Fundraising SEE. Age UK Bristol is an Organisational Member of the Institute of Fundraising (membership number Z2039948). The Age UK Bristol Fundraising Officer is also an individual member of the Institute of Fundraising. All colleagues, staff and volunteers working on our behalf are bound by these standards. Age UK Bristol are fully compliant with these standards. The Fundraising Officer leads and monitors all fundraising activities. There have been no complaints received by the charity or the Fundraising Officer for the purpose of fundraising. Age UK Bristol protects vulnerable people by complying with our Fundraising Standards which include:

- We do not undertake any fundraising door-to-door activity
- We do not ask for direct debit donations on the street
- We do not share or sell people's data beyond the Age UK Group
- We do not 'cold-call' people for fundraising purposes
- We only phone people with whom we have an existing relationship or who have already given us permission to contact them
- Every communication from us to members of the public will always include information on how to opt out from future communications
- We always stop direct debits or standing orders received from donors if family and friends advise us that the donor is vulnerable in some way
- Our fundraising is regulated by the Fundraising Standards Board and as such we always abide by the Institute of Fundraising Code of Fundraising Practice
- We will keep our fundraising practices under review and we will work with others with the aim of improving practice across the charity sector

Risk review

The Trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed to ensure that they will still meet the needs of the charity.

AGE UK BRISTOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

Future plans

Strategic planning involving board, staff and volunteers was undertaken through 2017/18. The company secured transformation funding enabling the support of an external consultant. The organisation's strategic objectives were identified and refined:

- Provide services which enhance the lives of older people
- Increase our role as strategic leader in the voluntary sector, influencing for collective benefit
- Influencing local authority and NHS decision making to the benefit of Age UK Bristol and older people
- AUKB brand and its stories are well known and supported

Work then continued analysing our entire services and activities against these strategic objectives.

Strategic planning identified the organisation's key challenges:

- The impact of reduced local government funding across the sector
- Life after the Big Lottery's Ageing Better Programme funding in 2020/21

Responsibilities of the Trustees

The trustees (who are also directors of Age UK Bristol for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

AGE UK BRISTOL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

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

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

Statement of disclosure to auditors

In so far as each of the Directors is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Directors have each taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Auditors

A resolution will be proposed at the Annual General Meeting that Nexia Smith & Williamson be re-appointed as auditors for the ensuing year.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) ("Charities SORP").

Approved by the Board of trustees on 19th December 2019 and signed on its behalf by:

.....
Chair

Peter Scott

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGE UK BRISTOL**Opinion**

We have audited the financial statements of Age UK Bristol (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flow and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

AGE UK BRISTOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGE UK BRISTOL

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees is consistent with the financial statements; and
- the Directors' Report included within the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report.

AGE UK BRISTOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGE UK BRISTOL

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Fiona Westwood
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

Date: 20 December 2014

Portwall Place
Portwall Lane
Bristol
BS1 6NA

AGE UK BRISTOL

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) YEAR ENDED 31 MARCH 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
Income:					
Donations & legacies	2	129,959	2,238	132,197	83,208
Income from trading operations	3	-	1,778	1,778	1,775
Investment income	4	10,617	900	11,517	11,781
Income from charitable activities	5	-	2,461,675	2,461,675	1,910,268
Total income		<u>140,576</u>	<u>2,466,591</u>	<u>2,607,167</u>	<u>2,007,032</u>
Expenditure:					
Cost of raising funds					
Costs of generating voluntary income		(13,749)	-	(13,749)	-
Expenditure on charitable activities	6	-	(2,370,519)	(2,370,519)	(2,094,457)
Change in value of investment		-	(826)	(826)	-
Total expenditure		<u>(13,749)</u>	<u>(2,371,345)</u>	<u>(2,385,094)</u>	<u>(2,094,457)</u>
Net income/(expenditure) before transfers	8	126,827	95,246	222,073	(87,425)
Transfers between funds	15	<u>(132,659)</u>	<u>132,659</u>	<u>-</u>	<u>-</u>
Net expenditure after transfers		(5,832)	227,905	222,073	(87,425)
Fund balances at 1 April		<u>231,375</u>	<u>136,469</u>	<u>367,844</u>	<u>455,269</u>
Fund balances at 31 March		<u>364,374</u>	<u>225,54</u>	<u>589,917</u>	<u>367,844</u>

The notes on pages 14 to 28 form part of these financial statements

AGE UK BRISTOL

BALANCE SHEET 31 MARCH 2019

Company No: 02984208

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible fixed assets	11	5,879	11,586
CURRENT ASSETS			
Investment at cost		44	870
Debtors	12	84,110	38,361
Cash at bank and in hand		674,656	463,582
		<u>758,810</u>	<u>502,813</u>
LIABILITIES			
Creditors: Amounts falling due within one year	13	(174,772)	(146,555)
NET CURRENT ASSETS		<u>584,038</u>	<u>356,258</u>
NET ASSETS		<u>589,917</u>	<u>367,844</u>
FUNDS			
Restricted funds	15	364,374	136,469
Unrestricted funds – general	15	225,543	171,375
Future development fund	15	-	60,000
		<u>589,917</u>	<u>367,844</u>

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board on 19th December 2019 and signed on their behalf by

.....
Peter Scott
(Chairman)

.....
Geoffrey Clements
(Treasurer)

The notes on pages 14 to 28 form part of these financial statement

AGE UK BRISTOL

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Net income/expenditure for the year		222,073	(87,425)
Adjustments for depreciation		6,547	5,456
Loss on investment valuation		826	-
Interest from investments and rent		(11,517)	(11,781)
(Increase) decrease in debtors		(45,749)	15,598
Increase (decrease) in creditors		28,217	(120,039)
		<hr/>	<hr/>
Net cash flow from operating activities		200,397	(198,191)
Cash flows from investing activities			
Interest and rents from investments		11,517	11,781
Purchase of fixed assets		(840)	(13,054)
		<hr/>	<hr/>
Net cash flow from investing activities		10,677	(1,273)
Change in cash and cash equivalents in the year		211,074	(199,464)
Cash and cash equivalents at 1 April		463,582	663,046
		<hr/>	<hr/>
Cash and cash equivalents at 31 March		674,656	463,582

The notes on pages 14 to 28 form part of these financial statements

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES **Basis of accounting**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees consider that they have appropriate funding and reserves in place to continue to provide services and support for our service users for at least from the date of signing of the financial statements.

Income

Income including grants is included when receivable, except as follows:

- when donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods;
- when donors impose conditions that have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met; and
- when donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in restricted income when receivable.

Legacies

Legacies are recognised as receivable when the administrators of the estate have advised the charity of the approximate amount of the legacy. Any amounts in excess of the original estimate are taken into income as received.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and is included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Categorisation of expenditure

‘Cost of raising funds’ includes all expenditure directly or indirectly associated with the generation of funds, including the costs of the volunteer co-ordinator.

‘Charitable activities’ includes all costs incurred in relation to the delivery of services.

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES (*continued*)

Fund accounting

Funds held by the charity are either:

- Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- Designated funds – these are general funds which the Trustees have designated for a particular purpose. In the financial year ended 31st March 2017, the Trustees transferred £122,000 to a Development Fund, to secure the immediate future of the Advice and Information Service, and provide funds to develop new services. £62,000 of this balance was utilised in the year ended 31st March 2018, and £60,000 in the current year.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	- 33% on cost
Fixtures & fittings	- 33% on cost

Operating Lease

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

Age UK Bristol also participates in the Pension Trust's Growth Plan (the Growth Plan). The Growth Plan is a defined benefit scheme and is not contracted out of the state scheme. The Growth Plan is a multi-employer pension plan.

As at the balance sheet date there was one active member of the Plan employed by Age UK Bristol, which has closed the Plan to new entrants.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. Growth Plan is a multi-employer scheme where the scheme assets are co-mingled for investment purposes, and benefits are paid from the total scheme assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102 represents the employer contribution payable.

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. DONATIONS & LEGACIES

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Donations and gifts	100,394	1,738	102,132	15,177
Legacies	-	-	-	41,327
Age UK Grants	29,565	-	29,565	17,654
Other grants	-	500	500	9,050
	129,959	2,238	132,197	83,208

3. INCOME FROM TRADING OPERATIONS

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
				-
				-
Will service	-	1,620	1,620	1,775
Other income	-	158	158	-
	-	1,778	1,778	1,775

4. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Bank interest	1,671	-	1,671	501
Rent receivable	8,946	900	9,846	11,280
	10,617	900	11,517	11,781

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Restricted & Total
	2019	2019	2018
	£	£	£
New Beginnings			
Grants			
Bristol City Council	-	138,340	110,734
Client charges	-	18,364	16,709
Self funded client fees	-	13,793	26,724
	-	170,497	154,167
Providing advice and information			
Grants			
Comic Relief	-	11,437	1,666
John James Trust	-	12,500	9,496
Bristol Wessex Water Co	-	834	1,000
St Monica Trust	-	15,184	15,484
EON	-	8,990	(990)
OPAAL	-	11,000	750
Lloyds Bank	-	-	6,602
	-	59,945	34,008
Supporting people			
Grants			
Bristol City Council	-	201,329	254,041
Client grant income	-	-	7,223
Self-funded clients	-	1,308	3,159
	-	202,637	264,423
Community development			
Grants			
Celebration of Age Festival	-	-	34,805
Bristol Walkfest	-	8,763	-
Active together	-	10,043	-
BAB grant Leg ulcer clinic	-	11,875	20,748
Computer learning	-	-	6,548
Express programme	-	-	2,602
F A B	-	31,169	-
	-	61,850	64,703

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

5. INCOME FROM CHARITABLE ACTIVITIES (continued)

Footcare				
	Administration fees	-	12,000	14,075
	Donations	-	-	1,800
	Practitioners fees	-	3,251	3,380
		-	15,251	19,255
Bristol Ageing Better				
	Grants			
	Big Lottery Fund	-	1,907,095	1,314,049
	Community Wed Project	-	-	50,000
	Community Development	-	4,400	-
	St Monica Trust	-	40,000	-
	Active Together	-	-	9,663
		-	1,951,495	1,373,712
	Total income from charitable activities	-	2,461,675	1,910,268

Income includes the following amounts received in 2017/18 but deferred to 2018/19 and exclude the following amounts received in 2018/19 that will be applied to 2019/20.

	Deferred to 2019/20	Deferred from 2017/8
Deferred income	21,971	14,899

6 CHARITABLE ACTIVITIES

	Activities undertaken directly	Charged to services	Total 2019	Total 2018
	£	£	£	£
Community development	71,080	24,364	95,444	65,828
New beginnings	137,172	31,102	168,274	183,336
Providing advice & information	95,016	35,800	130,816	138,616
Supporting people	159,670	70,676	230,346	285,193
Footcare	17,664	6,416	24,080	13,152
Bristol Ageing better	1,613,207	109,178	1,722,385	1,408,332
	2,093,809	277,536	2,371,345	2,094,457

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

7. SUPPORT COST ALLOCATION

Support costs	Basis of allocation	New Beginnings	Advice and information	Supporting people	Community Development	Footcare	Bristol Aging Better	Total 2019	Total 2018
		£	£	£	£	£	£	£	£
Premises		-	12,794	20,470	5,117	2,559	25,587	66,527	72,831
General office and finance	Space used	7,795	5,845	12,665	4,871	974	19,486	51,637	49,938
Management & administration	Hours worked	21,045	15,782	34,198	13,153	2,630	52,611	139,420	168,014
Other office charges	Hours worked	1,462	1,096	2,375	914	183	3,654	9,684	17,076
	Space used	30,302	35,519	69,708	24,055	6,346	101,338	267,268	307,859
Governance Costs	Income	800	281	968	309	70	7,840	10,268	8,743
		31,102	35,800	70,676	24,364	6,416	109,178	277,536	316,602

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

8. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	Total 2019	Total 2018
	£	£
Depreciation	6,547	5,456
Auditors' remuneration	9,150	6,420
	<u>15,697</u>	<u>11,876</u>

9. STAFF COSTS AND NUMBERS

	Total 2019	Total 2018
	£	£
Salaries and wages	666,555	621,668
Social security costs	49,807	47,967
Pension contributions	38,213	34,589
	<u>754,575</u>	<u>704,224</u>

No employee received more than £60,000 (2018 - £Nil).

None of the Trustees received any emoluments in respect of their services to the charity (2018 - £Nil).

Re-imbursments of £Nil (2018 - £Nil) in respect of expenses were made to Trustees in the year. A Trustee Indemnity policy was effected during the year, at a premium of £925 (2018-£1,050).

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

9. STAFF COSTS AND NUMBERS *(continued)*

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:

			2019	2018
	Full time	Part time	Full time equivalent	Full time equivalent
Management and administration	2	6	5	5
Advice and information	3	1	3	3
New Beginnings	1	8	4	5
Supporting People	5	4	6	8
Bristol Ageing Better	9	-	9	7
Services	1	7	3	2
Total	21	26	30	30

Remuneration of key management

Key management are those persons having authority and responsibility for planning, controlling, and directing the activities of the company. In the opinion of the Board of the company, the key management are the Trustees and the Chief Executive Officer of the company. Total compensation to key management personnel was £56,270 (2018 - £55,741).

Pensions

Age UK Bristol participates in the Pension Trust's Growth Plan (the Plan). The Plan is a multi-employer defined benefits plan and is not contracted out of the State scheme.

Contributions paid into the Plan up to and including October 2001 were converted to defined amount of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses are not guaranteed and are declared at the discretion of the Plan's Trustees.

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

9. STAFF COSTS AND NUMBERS (*continued*)

The Plan Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee of the plan will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The rules of the Plan state that the proportion of obligatory contributions to be borne by the Manager and the Member's Employer shall be determined by the agreement between them. Such agreement shall require the Employer to pay part of such contributions and may provide that the Employer shall pay the whole of them.

Age UK Bristol paid contributions at a rate of 6% during the accounting period.

As at the balance sheet date there was 1 active member of the Plan employed by Age UK Bristol, which has closed the Plan to new entrants.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of the underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102 represents the employer contribution payable.

The valuation results at 30 September 2014 were completed in 2015, and have been formalised. The valuation of the Plan was performed by a professionally qualified actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £793 million and the Plan's Technical Provisions were £970 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £177 million, equivalent to a funding level of 82%.

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

9. STAFF COSTS AND NUMBERS *(continued)*

The financial assumptions underlying the valuation as at 30 September 2014 were as follows:

	% per annum
Investment return pre retirement	4.2
Investment return post retirement	
- Actives/deferreds	3.3
- Pensioners	3.3
Bonuses on accrued benefits	-
Inflation: retail prices index	3.1
Inflation: consumer prices index	4.2

In determining the investment return assumptions, the Plan Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Plan Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions, such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Plan at 30th September 2017. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed a increase in the funding level to 85.8%.

If the actuarial valuation reveals a shortfall of assets compared to liabilities, the Plan Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

The Pensions Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example, the Regulator could require that the Plan Trustee strengthens the actuarial assumptions (which would increase the Plan liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Plan (which would effectively amend the terms of the recovery plan). A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012, as is required by legislation.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The debt of the Plan as a whole is calculated by comparing the liabilities of the Plan (calculated on a buy-out basis i.e .the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed the assets there is a buy-out debt.

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

9. STAFF COSTS AND NUMBERS *(continued)*

The leaving employer's share of the buy-out debt is the proportion of the Plan's liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any "orphan" liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. Therefore the amounts of debt can be volatile over time.

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buy-out basis). Due to a change in the definition of money purchase contained in the Pensions Act 2011 the calculation basis that applies to the Growth Plan will be amended to include Series 3 liabilities in the calculation of an employer's debt on withdrawal.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore jointly and severally liable for the deficit of the Growth Plan.

Age UK Bristol has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2017. As of this date the estimated employer debt for Age UK Bristol was £8,520, and no contribution was required towards the deficit.

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

10. TAXATION

The charity is exempt from corporation tax on its charitable activities. However, it may be subject to corporation tax on certain of its earned income. No taxation liability arose during the year.

11. TANGIBLE FIXED ASSETS

	Fixtures & Fitting £	Computer Equipment £	Total £
Cost			
At 1 April 2018	-	65,878	131,891
Additions in year	-	840	840
At 31 March 2019	66,013	66,718	132,731
Depreciation			
At 1 April 2018	59,767	60,538	120,305
Charge for the year	1,332	5,215	6,547
At 31 March 2019	61,099	65,753	126,852
Net Book Value			
At 31 March 2019	4,914	965	5,879
At 31 March 2018	6,246	5,340	11,586

12. DEBTORS

	2019 £	2018 £
Prepayments and accrued income	26,157	3,019
Other debtors	57,953	35,342
	84,110	38,361

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

13. CREDITORS: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	70,322	45,808
Taxation and Social Security	10,315	10,781
Accruals and deferred income	87,016	83,179
Other creditors	7,119	6,787
	174,772	146,555

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	2019	2018
	£	£	£	£
Tangible fixed assets	5,879	-	5,879	11,586
Current assets	372,102	386,708	758,810	502,813
Current liabilities	(152,438)	(22,334)	(174,772)	(146,555)
	225,543	364,374	589,917	367,844

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

15. MOVEMENT IN FUNDS

	Balance 1 April 2018 £	Income £	Expenditure £	Transfers between funds £	Balance 31 March 2019 £
Unrestricted Funds					
General	171,375	140,576	(13,749)	(72,659)	225,543
Designated Development Fund	60,000	-	-	(60,000)	-
	<u>231,375</u>	<u>140,576</u>	<u>(13,749)</u>	<u>(132,659)</u>	<u>225,543</u>
Restricted Funds					
New Beginnings	-	172,047	(168,274)		3,773
Advice and information	-	63,161	(130,816)	67,655	-
Supporting People	-	202,636	(230,346)	27,710	-
Footcare	4,978	15,251	(24,080)	3,851	-
Community Development	-	62,001	(95,444)	33,443	-
Bristol Ageing Better	131,491	1,951,495	(1,722,385)	-	360,601
	<u>136,469</u>	<u>2,466,591</u>	<u>(2,371,345)</u>	<u>132,659</u>	<u>364,374</u>
Total Funds	<u>367,844</u>	<u>2,607,167</u>	<u>(2,385,094)</u>	<u>-</u>	<u>589,917</u>

The deficit for the year on four services has been subsidised by transfers from the unrestricted funds.

The Development Fund was set up in the previous year to provide some assurance of continuity for the Advice and Information Service, and to enable the development of new services. £60,000, of this fund has been utilised during the year.

Details of restricted funds

Restricted funds arise when grants and donations are made for specific purposes. Expenditure for those purposes is set against the funds until they are exhausted. Where there are insufficient funds left to cover the current costs of the service, these are met by transferring monies from the unrestricted funds of the charity.

New Beginnings: Operation of a day centre in Witywood.

Advice and information: Provision of information and advice.

Supporting people: Supporting isolated and vulnerable people in their homes.

Community Development: To give people a voice in the way their community is run so that they can take a lead role in decision making.

Foot care service: Provides foot care and services for frail older people

Bristol Aging Better: Provision of support to tackle isolation and loneliness in the city of Bristol

AGE UK BRISTOL

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2019

16. OPERATING LEASE COMMITMENTS

At 31 March 2019 the charity had total commitments under non-cancellable operating leases as follows:

Expiry date	2019	2018
	£	£
Between two and five years	3,268	5,332
More than five years	190,960	262,570
	<u>194,228</u>	<u>267,902</u>

17. RELATED PARTIES

There were no related party transactions (2018: None).