

Charity Registration No. 1068550

Company Registration No. 03510613 (England and Wales)

AGE UK DERBY & DERBYSHIRE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

AGE UK DERBY & DERBYSHIRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	H Campbell A M Johnson L Done J Matthews C R Newton I R Hill	(Appointed 19 June 2019)
Secretary	L Done	
Chief executive	K Pugh	
Charity number	1068550	
Company number	03510613	
Registered office	29a Market Place Heanor Derbyshire DE75 7EG	
Auditor	Azets Audit Services Ventura Park Road Tamworth Staffordshire B78 3HL	
Bankers	National Westminster Bank Plc 42 Bath Street Ilkeston Derbyshire DE7 8HF	
Solicitors	Flint Bishop LLP St Michael's Court St Michael's Lane Derby DE1 3HQ	

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CHAIR OF TRUSTEES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

In my report last year, I referred to the high levels of uncertainty that were continuing to characterise the world in which we operate: funding uncertainty, short-term timescales and major changes in the organisation and staffing of our key partners. I also commended our staff and volunteers for the admirable way in which they have risen above this chronic uncertainty to maintain a clear focus on providing high quality services and support to local older people.

As we moved into 2019-20, nothing much had changed. But some patterns were beginning to become clearer. Funding for our long-term services, such as day centres, was shifting from bulk purchase through local authority grants and contracts to purchasing packages of service for individuals. This shift is intended to enhance choice and control for service users: a laudable aim with which few people could disagree. But it has the unintended consequence of shifting financial risk and uncertainty from local authority purchasers onto voluntary sector providers and ultimately onto individual services users. One inevitable consequence of the shift to a 'framework agreement' and individual purchase was going to be a significant increase in costs for those of our day service members who have to pay their own way.

Adult Social Care services continue to experience the effects of austerity and increasing demand, forcing them to concentrate on supporting individuals in greatest need. But on a more positive note, Public Health Departments of local authorities have picked up the baton of providing preventive services. Our falls prevention services, operating under the banner of Strictly No Falling, have proved their cost effectiveness and continue to secure considerable levels of public funding. As well as being immensely popular with the older people who use them!

Last year I said that a priority for 2019 – 20 would be to replace and update our strategic plan. We did this last summer, but we decided to move away from a fairly rigid, traditional format, in favour of something that could be robust in the face of constant change and uncertainty. It's clear about our values and principles and our direction of travel, but it's less susceptible to the vagaries of the world we live in. Copies are available for anyone who's interested.

At the beginning of the year, we'd accepted constant change and uncertainty as inevitable and expected, but little did we know what was going to hit us at the end of the year. The Covid 19 pandemic spread at an alarming rate in the early months of 2020 and before the end of March the first national lockdown had been imposed. Nearly all our services and all our shops had to close and most staff had to shift to working from home. The enormous commitment and resilience of our staff and volunteers, and the firm financial foundation of the charity, gave us some confidence that we could weather this most unexpected of storms. But I will have to leave it until next year's Chair's report to comment on how we fared ...

.....
Clive Newton

Chair of Trustees

Dated:

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objectives of the charity are stated as 'for the benefit and wellbeing of older people within the public community in and around the County of Derbyshire including the City of Derby'.

Mission Statement:

We want later life to be better.

Our purpose:

We exist to improve the lives of older people in Derby and Derbyshire, taking care to value diversity and include and involve people from all communities.

We seek to achieve this by focusing on three key areas forming an inter-linked strategy of programmes, containing all our projects, activities and actions. Each area combines to achieve our purpose for public benefit. In 2019 we reviewed our strategic plan and reconfigured our programme boards to reflect our changing strategy.

The programmes are:

The Service Delivery Programme
The Support and Development Programme
The Income Generation Programme

The trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the charity should undertake.

The way we work:

- **Partnership:** AUKDD believes that the best quality services cannot be provided alone and in isolation. AUKDD works in formal and informal partnership in almost every aspect of our service delivery.
- **Multi-agency working:** the CEO and senior staff represent the charity in various multi-agency working groups and partnerships. One example is the Frailty Workstream within the Derbyshire Sustainable Transformation Plan where we work alongside health, adult care, public health and local community services as we develop a unique Derbyshire Frailty model. Another example is our membership of the Financial Abuse Awareness Group, a work group of the Derbyshire Safeguarding Adults Board where we are also a member. Financial abuse at its worst can kill as victims lose significant sums of money, self-esteem and trust and this impacts on their ability to function independently and on their health and wellbeing. The impact can be seen across a wide range of older people from those looking for love, email scams to those frail and vulnerable to scams or doorstep crime. By working with all agencies locally and using our communication resources together we have achieved against a clear strategic and action plan.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

- **Specialist Infrastructure Support:** AUKDD believes that it has a role in supporting other organisations, groups and communities that support older people and that by doing so it can help to achieve its own charitable objectives. Support includes specialist advice and practical help and AUKDD is a member of the Derbyshire Infrastructure Consortium: 3D. Its infrastructure role includes support to Age Concern groups within Derbyshire and this role involves offering 1:1 support with issues such as governance, sustainability, legal and HR matters, funding and service development. The Information Roadshow enables smaller groups to access outreach support and offers a valuable, free service to groups and clubs.
- **Influencing:** AUKDD believes in working at both a direct service level and at a strategic level to promote best practice and advocate for the general needs of older people. Staff engage in local media activity helping to reach potential users and influence debate. We have participated in key Age UK campaigns about social isolation, welfare benefits and dementia throughout the year in addition to local campaigns. We enable older people and carers to express their views with support from Information and Advice and by promoting consultation opportunities direct to older people. Throughout the year the CEO works within multi-agency working groups, strategic planning processes and consultation events to raise issues affecting older people and carers bringing local experience, national research and a local Age UK involvement to these processes. Increasingly social media and networks present opportunities to promote issues and fundraising is increasingly linked to influencing campaigns. We have worked in partnership with Joined Up Care Derbyshire to promote training and development opportunities for staff across the health and social care system including the Delirium training package, and helping to find older people able and will to participate in short films bringing to life their lived experience of older age.
- **Diversity:** AUKDD works to reflect the diverse communities of Derbyshire within every aspect of the charity including its governance, strategic planning, user involvement and service delivery. Our local communities are changing and our services are responsive to the different cultures and expectations we now work with. We are building on our experience and embedding good practice in our policies and procedures and using our CharityLog system capabilities to better monitor the diversity of our users, volunteers and staff. New services and activities such as fundraising are increasing the range of volunteer roles and the diversity of volunteers we recruit and these types of activity and the additional breadth of involvement helps to engage a greater diversity of services users and other stakeholders. As well as the diversity criteria of issues like age, ethnic origin etc. the organisation must balance the needs of urban and rural communities and serve very diverse needs across a varied geography.
- **Volunteers** are essential in all aspects of the charity's work. The 200+ volunteers who gave their time regularly to AUKDD in 2019/20 enable it to operate, raise funds, administer, and govern the charity. Volunteers contribute in-kind to the organisation with the donation of approximately 41,000 hours per annum. Our shops alone use approximately 500 hours of volunteer time per week.

AUKDD governance relies on 6 trustees and occasional specialist support of approximately 280 hours per annum (based on attendance at 10 meetings per year and preparation time). The monetary value of their skills is hard to find a comparison for but using an average hourly rate of £25.00 the Trustees give AUKDD £7,000 per annum.

Recruiting and retaining sufficient volunteers is a significant challenge because the requirements of many roles has become more demanding as legislation, risk assessment and our clients' needs become more complex. Overall numbers of volunteers has reduced, in some areas significantly, and more volunteers are under pressure to secure paid employment or meet employment benefit requirements. Volunteer recruitment and retention is an identified risk in our Risk Management process and a priority for most service leads. However, we continue to have an exceptional level of continuous long service from our volunteers and volunteers fulfilling high level roles. We participate in a specialist network in the East Midlands to share best practice in volunteer recruitment and management which is leading to some new approaches to recruitment.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Strategy

In 2019/20 Age UK Derby and Derbyshire provided:

- Befriending
- Careline
- Compassionate Communities (End of Life)
- Day Care
- Dementia Services: Memory Lane
- Digital support
- First Contact Derby (ended June 2019)
- First Taste
- Footcare – 'Tootsies'
- Information and Advice:
 - Derbyshire Dales Housing Options Service
 - Information and Advice
 - Information Roadshow
- Influencing
- Outreach
- Strictly No Falling Falls Prevention Service
- Falls Awareness Training
- vSPA (ended June 2019)
- Wellbeing Services: Chaddesden Park Centre

Within or at the end of the financial year two services closed as funding was withdrawn.

Development of services for older people is supported by:

- Specialist support for older people's groups
- 3D Derbyshire Infrastructure Consortium

These activities are supported by:

- Retail: 7 charity shops located across Derby and Derbyshire
- A donation resulting from Insurance Sales by Age UK Nottingham and Nottinghamshire (ended December 2019)
- Fundraising and Legacy Sharing Agreement – Age UK
- Donations and fundraising activities

Within the financial year one charity shop was closed May 2019.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

We said we would:

1. Complete a whole organisation review to develop a new strategic plan

In 2018/19 the Board, with the CEO and key staff, agreed that developing a new strategic plan was not feasible due to the rapidly changing local environment and the continued delays to decisions on a number of funded services. Instead, the Board and senior staff reviewed and refreshed the original plan and implemented a series of measures to reduce expenditure and commitments.

In 2019/20 a new Strategic Plan was created in a new format to make the plan more easily shared and presented. In developing the Plan, the Board reviewed our organisational values, charitable aims and our resources and opportunities and felt we had a strong position from which to achieve our strategic objectives.

2. Achieve the Information and Advice Quality Standard

Information and Advice is a key service which empowers older people and carers to make well-informed decisions affecting their lives and wellbeing. The service supports all other frontline services providing an independent, free and confidential expert available to service users, carers and professionals. The quality standard demanded several significant investments including reconfiguring the staff team and the introduction of CharityLog to provide GDPR compliant comprehensive client data accessible in a variety of settings. The small team of expert advisors conducted a self-evaluation exercise, developed a new updated service manual and policies and procedures. The original timescale for the external quality standard assessment was delayed but all the preparation for a successful completion of the standard was in place prior to the Covid pandemic and lockdown measures in March 2020.

3. Develop income generation, including fundraising, to work towards a healthy balance of funding

In the previous year the charity invested funds, received as a legacy, in a new role of fundraiser and in 2019/20 fundraising extended further with two more part-time roles to create a small team. This development immediately boosted our capacity to develop corporate relationships and more local community fundraisers and within the year began to demonstrate the potential for local community fundraising to make a significant impact on the range and scale of our income and our reputation.

The new post of Retail Manager, as a dedicated role, came late in the financial year with the retirement of the Derby Services Manager who had led on the retail strategy. The new role allows progress in developing our current shops to be more effective and the potential to extend our retail activity. Trials for our 'pop-up' shop have struggled in a challenging high street economy but other shops have made good headway against growing competition.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

2019/20 saw the retirement of two key, long-serving members of staff. Martin Eaton as Finance and Operations Manager had brought a cautious approach to our finances helping to secure a remarkable level of financial resilience. He was a popular member of the Head Office team and link between governance and management and his role extended over a big range of responsibilities. In his average day he could be project managing a premises refurbishment, analysing a project budget, setting our budgets and drinking lots of tea! He left big shoes to fill and it took as a few goes to find the right person. Ray Gumbley, Derby Services Manager, left to pursue a long-held ambition to make his talent in photography his business. He had led the organisation in equality and diversity and mental health and made us a more accessible and friendly place to work, volunteer and use. He was a passionate advocate for older people and seemed to know everyone in Derby. He was a much-loved colleague and everyone wished him well but miss him still. We used the big change to reconfigure our Head Office team bringing responsibilities previously shared out by location or history and recruiting from within. We aimed to make efficiencies in the process which was difficult in an already small team but in preparation for the eventual loss of grant income. After a period of big change in a small team the Head Office Team functioned superbly working away through the final weeks of March supporting every aspect of the charity's work, responding to hundreds of calls and still smiling behind the masks.

2019/20 was yet again a continuation of the experience in the preceding 4 years or more with many services at risk of 100% cuts to funding and a complex picture of local funding and strategy. At the end of the financial year grant funded services had grants until September 2020 but the picture was changing rapidly under the Covid pandemic. Our Strategic Plan, and individual service plans assume a future without our grant funding and the need to develop financially viable charged for services. Towards the end of the financial year the looming crisis of the Covid19 pandemic meant longer term development was paused and our charity responded promptly and efficiently in a rapidly escalating situation with staff and volunteers managing the redesign of our services, move to home working and the delivery of emergency response services in an incredibly short time. With good humour, creativity and the greatest possible care of older people and carers affected by lockdown our teams managed the unthinkable in the space of a few days and approached the new financial year, and the new normal, with the same fortitude.

Financial review

The charity has hitherto received a donation from Age UK Local Trading who, within the Age UK Nottingham and Nottinghamshire partnership, gained commission from the sale of products and services in Derbyshire. In the previous year reduction in the products available from the Age Co brand meant a significant reduction in commission and therefore the value of the donation to our charity. In 2019/20 the trading partnership with Age Co ended and sales of products moved to a central system which made local delivery redundant. As a consequence, Age UK Local Trading's partnership with AUKDD ended and the diminishing trading income ended.

The Charity currently has a reasonable balance of income generated from donations and retail activity and commissioned services funded by the local authority including public health but during 2019/20 a number of services continued to face imminent funding cuts as strategic plans impact on local authority funding. Levels of funding and diversity remains reasonably healthy but downward trends in retail income is a cause of concern because this forms the majority of the charity's unrestricted income.

The organisation has implemented strategic developments to improve retail and fundraising income and to reduce expenditure wherever possible. The retirement of two senior staff allowed a reconfiguration of some management responsibilities and cost reductions for our already modest head office functions. The majority of our externally funded services continue to exist on short term extensions and commissioning structures and strategies remain unclear. The uncertainty means our financial planning and risk management is conservative and we have prioritised the maintenance of good reserves to protect the interests of the charity, our service - users and staff as far as possible.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Reserves policy and going concern

The Trustees have agreed a policy for managing adequate and appropriate reserves for the charity in line with the guidance issued by the Charity Commission. The trustees have considered the risks to the organisation, completed an analysis of the impact of significant risks and identified the need to maintain a reserve equivalent to between 1 and 3 months unrestricted expenditure (between £98k and £292k). Because of the liabilities the charity holds for the maintenance of buildings, staff redundancy or TUPE and emergency planning the trustees have included designated reserves to ensure adequate cover for these specific risks. In addition, we have separate designated reserves earmarked for unfunded projects or services we may wish to fund in the near future. These spending priorities will evolve and indeed in the last year the trustees have chosen to review the amounts required in some funds.

Total funds amount to £1,009,201 of which Restricted fund balances amount to £10,628 and will be applied for the specific purposes identified in the Statement of Funds, resulting in Unrestricted fund balances totalling £998,573. Of these £998,573 Unrestricted Funds the amount of £88,650 is in the form of tangible assets and £909,923 in other net assets. Of the net assets of £909,923 a total of £726,103 has been designated to specific purposes (these are detailed within note 18 of these accounts), leaving free reserves of £183,820 which is slightly in excess of the current free reserves policy identified above.

On an annual basis, before approving the accounts, the directors consider if the charity has sufficient resources to continue in operational existence for the foreseeable future. In common with many charities, the current financial environment is such that it presents many challenges for us but we have plans to meet those challenges and consider the charity to be a going concern.

Borrowing Policy

Under the Memorandum and Articles of Association, the Charity has power to borrow money for the purposes of the Charity on such terms as may be thought fit, including mortgaging all or any part of the Charity's property as security for the repayment of the money borrowed. At the current time the Charity has no borrowings secured or unsecured.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has power to make any investment which the Board sees fit provided that the Board shall seek proper professional advice.

Plans for future periods

Our Strategic Plan concentrates on three strands of activity: Service Development, Income Generation and Support and Development. Each Programme Board has set an annual plan based on the overall strategy.

In addition to delivering against the annual plans for our Programme Boards we will:

1. Develop our unrestricted income opportunities
2. Engage older people in digital activities
3. Influence local decision-makers about what 'good' looks like for older people

Strategic direction 2020/21

The Board has carefully monitored our charitable and financial performance throughout the Covid19 pandemic to date and the charity remains in a stable or improving condition achieving some longer-term strategic development rapidly and performing very well within the local pandemic response further improving our local reputation and status. Our Strategic Plan extends our service offer developing traditional services to become financially independent and with increased retail and fundraising income to improve our charitable independence and ability to meet local need.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Structure, governance and management

Governing document

Age UK Derby & Derbyshire (Reg. Charity No: 1068550) is an independent charity within the Age England Association and a local partner with Age UK.

The charity is a company limited by guarantee (No. 03510613) governed by its Memorandum and Articles of Association and having its registered office at 29a Market Place, Heanor, Derbyshire, DE75 7EG.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

H Campbell

A M Johnson

L Done

D Brown

(Resigned 16 December 2019)

J Matthews

C R Newton

I R Hill

(Appointed 19 June 2019)

Appointment of trustees

The Board has a rolling programme of trustee recruitment to secure continuity for the Board. In recognition of the vital importance of governance to the future of the charity we continue to use the self-assessment process of the Charity Commission's Good Governance Code for the Voluntary Sector. The Board has sought two additional trustees, one with knowledge of housing and local service delivery and this Trustee was recruited and one with specialist knowledge of charity retail but this post remains vacant.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Induction and training of trustees

There are 7 serving trustees with a mix of experienced and new trustees. All trustees are well-informed about Age UK Derby and Derbyshire, through experience and or induction and bring to their roles a wealth of experience in the fields of health and social care, company law, strategic planning and quality assurance, commercial enterprise and other governance roles in the voluntary sector. Board Meeting agendas include a regular briefing or training session focusing on a particular aspect of the charity or a governance responsibility.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Organisation

The Board meets up to six times per year, generally four times each year in addition to 12 programme board meetings each involving at least two trustees. The full Board meetings are scheduled to co-ordinate with budget setting, accounts periods and organisational activity. Trustees use a Project Management system, successfully for the past 12 years, across the organisation. Work of the Board is delegated to three Programme Boards covering areas of work crucial to service and organisational development:

- Finance and Income Generation
- Organisational Development
- Services and Influencing

The Finance Sub-Committee reports directly to the Board and liaises with Programme Boards. Task and Finish Groups are established as needed to progress specific pieces of work or in preparation for processes such as strategy development or quality assurance programmes.

All three Programme Boards are made up of individual Trustees with delegated authority, staff representatives and specialist advisors as necessary. The Programme Boards report against their project plans and note areas of achievement, change or revised completion dates. Each Programme Board can make decisions within the budget set and agreed by the full Board of Trustees. Each Programme Board identifies key areas requiring full Board discussion, decision or approval.

Risk management

Organisational risk is assessed on an ongoing basis and reviewed periodically at the Organisational Development Programme Board. Risk assessment is an integral part of the work of the Chief Executive and of each Programme Board and at meetings of the whole Board when current performance and future objectives are discussed. In 2019/20 they again identified key risk areas and reviewed them in a regular process of in depth analysis of risk and risk mitigation.

The charity's income generation streams represent a constant risk as they are subject to external change and income generation maintains existing services, supports the development of adequate reserves and maintains essential independence. Shop performance is monitored carefully through the year and a new long-term Retail Plan was established in 2015/6 and reviewed in 2018 has achieved significant improvements in terms of approach within the shops and trials of new staffing structures. Funding insecurity presents additional risks which the charity mitigates with sufficient reserves and clear action plans for responding to changes to funding.

Covid statement

Since the year end, the spread of COVID-19 has severely impacted many local economies around the globe. As a result, Charities are being forced to cease or limit operations for long or indefinite periods of time. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions and the Charity has utilised the Furlough measures introduced by the Government. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have resulted in the Charity being forced to postpone some of its events which has had the impact of reducing its income.

The Trustees have determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charity for future periods.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Internal control

The Board of Trustees is responsible for the strategic governance of the charity including the setting and monitoring of an annual budget, quality and development, organisational risk assessment, strategic planning and the policies and internal procedures for the management of staff and volunteers.

The implementation of these strategies and the day-to-day management of the organisation are delegated to the Chief Executive. The Chief Executive is required to keep the Board well-informed of internal and external issues which affect or are otherwise relevant to the organisation.

To promote best practice in service delivery the Trustees use various quality assurance programmes to improve effectiveness and minimise risk.

Organisational Quality Standards for local Age UK's in England.

As part of our membership of the Age England Association and our partnership with Age UK we must meet the Age England Association quality standards. We completed our evidence portfolio and inspection visit and audit and passed with no areas for improvement. The next cycle of assessment will begin in 2021 with annual Charity Quality Standard assessments on core values completed between full assessments.

ISO 9001

Age UK Derby and Derbyshire had ISO 9001 re-confirmed in the audit in May 2019. We have now held this award for 9 years and each year have had a clear audit report. This internationally recognised quality standard was considered an important system for the development of public services and entry into the competitive tendering and commissioning structures of Health and Social Care but in recent years local tendering has rarely required the standard and the charity is considering alternatives and hopes the Age England Association standards will, in time, become sufficiently well recognised to replace ISO9001 and reduce duplication.

Befriending and Mentoring Approved Provider Status

The Befriending Projects have been awarded 'Approved Provider Status' for the main Befriending Service in the High Peak and Derbyshire Dales for 6 years and Careline for 3 years. In 2018 the Befriending Service again achieved the highest standard with an exceptional audit report by the assessor. This also entitles us to the highest level award in a local quality assurance programme called Derbyshire Trusted Befriending Network.

Information and Advice Standard

Throughout 2019/20 we have been working to implement changes in our Information and Advice Services to enable us to complete an accreditation process. Our service delivery is good but introduction of CharityLog is necessary to facilitate online case reviews for the accreditation process. Alongside these procedural and digital changes, we have completed a GDPR review for the service and re-organised the staff team. The delayed assessment will be completed in late 2020/21.

GDPR

The introduction of the General Data Protection Regulations (GDPR) led to a review of all our services, their data needs and our compliance. CharityLog and its improved security and controls on access resolved most identified risks, and with some practical changes to access within offices and buildings the GDPR risks have been mitigated. Our response to adult safeguarding and issues such as consent within data protection creates many challenges as our services support many vulnerable older people so our staff training, access to colleagues for advice and support and our membership of the Derbyshire Safeguarding Adults Board and use of Derbyshire-wide policies and procedures is essential.

Data

The organization holds 'Cyber-Essentials' a quality standard for data management within digital systems and equipment and this also supports our management of GDPR requirements and other quality standards.

In general, other areas of activity are regulated by local and national systems including Trading Standards, CSCI and Adult Health and Social Care.

Financial Management operates to written and monitored procedures covering all areas of financial activity.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2020***

Fundraising Policy Statement

AUKDD relies on fundraising to provide some of its unrestricted income to support our charitable activities. In 2017/18 it invested legacy funding in a dedicated fundraising post, the first for the organisation. The new post included developing a fundraising strategy and confirming our fundraising principles. The investment is beginning to achieve against some ambitious targets and establish a new culture of fundraising. This year the team was built on this foundation extending the range and scale of fundraising.

We do not carry out street fundraising, nor do we undertake mail shots or telephone canvassing. We do not work with, or have oversight of, any commercial participators or professional fundraisers. We do ensure our fundraising conforms to recognised standards, we comply with the Code of Fundraising Practice, and we are:

- committed to high standards
- honest and open
- clear
- respectful
- fair and reasonable

Our fundraising practice is monitored by the trustees of the charity in the Income Generation Programme Board and they receive a quarterly report. We monitor any fundraising complaints (none were received during the year 2019/20) and always seek to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2020**

Related parties and co-operation with other organisations

Partnership Working

Following the regulatory changes introduced in the Financial Services Act in January 2005, to enable the charity to continue to receive vital income from the sale of Age UK Insurance products and services, the charity negotiated an agreement with Age UK Nottingham and Nottinghamshire (AUKN&N) which allows product sales by AUKN&N throughout Derby and Derbyshire. The agreement served Age UK Derby and Derbyshire well but 2018/9 funds being donated for the charity reducing significantly. During 2019/20 the trading agreement with Age UK, and therefore income from products and services ended and the agreement with AUKNN was closed ending fifteen years of effective partnership working with our neighbours. As a region Age UK's in the East Midland work well together working formally and informally together to deliver local projects, region-wide delivery and sharing skills and experience. This partnership works across all roles in the organisation with staff brought together to share experiences and successes in a variety of charitable activity, governance and management.

Age UK Partnership Agreement

Since April 2010 AUKDD has worked in partnership with Age UK and other Brand Partners under a partnership agreement. It involves compliance with shared standards for presentation, service delivery and development as well as core principles such as user involvement and quality. In addition to the partnership agreement a series of other formal agreements cover key relationships. The primary agreement is between Age Concerns in Derbyshire who are 'Friends' and work with AUKDD on shared outcomes. Other, less formal, agreements exist with older people's Forums and Friendship Centres. At a local level good working relationships exist across our network to ensure we make effective use of our contacts with older people and their carers.

The Age England Association

AUKDD is a full member of the Age England Association and a member of the East Midlands Region. The Chief Executive represents Age UK Derby and Derbyshire within 'Brand Partner' meetings in the East Midlands. The regular meetings provide an opportunity for engagement with Age UK and other Brand Partners.

Pay policy for senior staff

The directors consider that the board of directors, who are the Charity's trustees, and the senior management team comprise the key management personnel of the charity. They are in charge of directing and controlling, running and operating the Charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 12 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with inflation.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2020*

Auditor

On 7 September 2020 Group Audit Services Limited, trading as Baldwins Audit Services, changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name. Azets Audit Services are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Disclosure of information to auditor

In so far as the trustees are aware:

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

The trustees' report was approved by the Board of Trustees.

.....
C R Newton

Trustee

Dated:

AGE UK DERBY & DERBYSHIRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The trustees, who are also the directors of Age UK Derby & Derbyshire for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AGE UK DERBY & DERBYSHIRE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF AGE UK DERBY & DERBYSHIRE

Opinion

We have audited the financial statements of Age UK Derby & Derbyshire (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 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 2020 and of its incoming resources and application of resources, 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 charity 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 charity'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

AGE UK DERBY & DERBYSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AGE UK DERBY & DERBYSHIRE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AGE UK DERBY & DERBYSHIRE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF AGE UK DERBY & DERBYSHIRE

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Mark Jackson FCA DChA (Senior Statutory Auditor)

for and on behalf of Azets Audit Services

Chartered Accountants

Statutory Auditor

Ventura Park Road
Tamworth
Staffordshire
B78 3HL

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

AGE UK DERBY & DERBYSHIRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Current financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	37,303	-	37,303	63,432
Charitable activities	4	860,394	129	860,523	845,359
Other trading activities	5	220,451	-	220,451	243,605
Investments	6	10,422	-	10,422	9,732
Total income		1,128,570	129	1,128,699	1,162,128
<u>Expenditure on:</u>					
Raising funds	7	242,367	-	242,367	234,745
Charitable activities	8	988,986	9,203	998,189	1,054,566
Total resources expended		1,231,353	9,203	1,240,556	1,289,311
Net movement in funds		(102,783)	(9,074)	(111,857)	(127,183)
Fund balances at 1 April 2019		1,101,356	19,702	1,121,058	1,248,241
Fund balances at 31 March 2020		998,573	10,628	1,009,201	1,121,058

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AGE UK DERBY & DERBYSHIRE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Prior financial year

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	55,134	8,298	63,432
Charitable activities	4	812,990	32,369	845,359
Other trading activities	5	243,605	-	243,605
Investments	6	9,732	-	9,732
Total income		1,121,461	40,667	1,162,128
<u>Expenditure on:</u>				
Raising funds	7	234,745	-	234,745
Charitable activities	8	1,030,681	23,885	1,054,566
Total resources expended		1,265,426	23,885	1,289,311
Net outgoing resources before transfers		(143,965)	16,782	(127,183)
Gross transfers between funds		27,529	(27,529)	-
Net movement in funds		(116,436)	(10,747)	(127,183)
Fund balances at 1 April 2018		1,217,792	30,449	1,248,241
Fund balances at 31 March 2019		1,101,356	19,702	1,121,058

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AGE UK DERBY & DERBYSHIRE

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		88,650		95,684
Current assets					
Debtors	14	82,801		114,955	
Cash at bank and in hand		900,571		1,003,285	
		983,372		1,118,240	
Creditors: amounts falling due within one year	15	(62,821)		(92,866)	
Net current assets			920,551		1,025,374
Total assets less current liabilities			1,009,201		1,121,058
Income funds					
Restricted funds	16		10,628		19,702
<u>Unrestricted funds</u>					
Designated funds	17	726,103		760,386	
General unrestricted funds	17	272,470		340,970	
			998,573		1,101,356
			1,009,201		1,121,058

AGE UK DERBY & DERBYSHIRE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

.....

C R Newton

Trustee

Company Registration No. 03510613

AGE UK DERBY & DERBYSHIRE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	23	(111,535)		(145,181)	
Investing activities					
Purchase of tangible fixed assets		(1,601)		-	
Proceeds on disposal of tangible fixed assets		-		200	
Interest received		10,422		9,732	
Net cash generated from investing activities			8,821		9,932
Net decrease in cash and cash equivalents		(102,714)		(135,249)	
Cash and cash equivalents at beginning of year		1,003,285		1,138,534	
Cash and cash equivalents at end of year		900,571		1,003,285	

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Age UK Derby & Derbyshire is a private company limited by guarantee incorporated in England and Wales. The registered office is 29a Market Place, Heanor, Derbyshire, DE75 7EG.

The members of the charity are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations

Donations and legacies are included when received.

Grants

This income represents monies receivable from statutory agencies and other charitable trusts for the provision of information, befriending, advocacy, and daycare services. Income is accounted for in the period for which it is received. Where donors specify that grants or donations must be used in future accounting periods such income is deferred.

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Shop income

This is included in the accounts when receivable. It represents monies receivable through shop sales of donated goods.

Investment income

Bank interest is included in the income and expenditure account on an accruals basis.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly allocated to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Governance costs are those incurred in connection with the charity's compliance with constitutional and statutory requirements.

Irrecoverable VAT is allocated where possible against specific cost categories, otherwise it is treated as a support cost and allocated in the manner stated above.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Plant and equipment	25% straight line
Fixtures and fittings	20% straight line
Minibus and van	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Unrestricted funds 2020 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	37,303	-	37,303	55,134	63,432

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

	2020 £	2019 £
Local authority grants and service level agreements	651,394	711,045
Charitable institutions grants	5,900	8,979
Corporate grants	-	1,000
Other income	203,229	124,335
	<u>860,523</u>	<u>845,359</u>
Analysis by fund		
Unrestricted funds	860,394	812,990
Restricted funds	129	32,369
	<u>860,523</u>	<u>845,359</u>

5 Other trading activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Shop income	<u>220,451</u>	<u>243,605</u>

6 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Interest receivable	<u>10,422</u>	<u>9,732</u>

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

7 Raising funds

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Shop trading costs</u>		
Staff costs	99,153	100,680
Bank charges	1,904	1,002
Rent, rates and power	64,661	69,312
Insurance	5,381	5,009
Printing, postage and telephone	2,635	2,516
Recruitment and training	1,036	400
Repairs and computer costs	10,608	8,562
Subscriptions	-	563
Sundry costs	5,944	4,433
Travel costs	4,814	5,794
Goods and consumables	3,171	2,869
Depreciation	1,178	1,286
Share of support costs (see note 9)	41,882	32,319
	<hr/>	<hr/>
Shop trading costs	242,367	234,745
	<hr/>	<hr/>

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

8 Charitable activities

	2020 £	2019 £
Staff costs	513,144	573,451
Depreciation and impairment	3,496	8,031
Agency costs	45,501	42,808
Internal recharge	815	3,316
Rent, rates and power	49,606	49,550
Insurance	4,531	4,411
Printing, postage and telephone	14,555	15,514
Recruitment and training	5,076	5,151
Repairs and computer costs	24,941	19,716
Professional	1,764	26,374
Sundry costs	83,125	71,878
Subscriptions	-	135
Travel and motor costs	18,954	23,699
Transport	52,989	51,737
Daycare meals	17,131	18,430
Activity costs	4,632	5,443
Irrecoverable VAT	7,274	6,727
	<u>847,534</u>	<u>926,371</u>
Share of support costs (see note 9)	139,788	117,721
Share of governance costs (see note 9)	10,867	10,474
	<u>998,189</u>	<u>1,054,566</u>
Analysis by fund		
Unrestricted funds	988,986	1,030,681
Restricted funds	9,203	23,885
	<u>998,189</u>	<u>1,054,566</u>

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Support costs	Support Governance costs £	Support Governance costs £	2020 £	Support Governance costs £	2019 £	Basis of allocation
Staff costs	173,377	1,792	175,169	144,275	145,661	On direct costs
Depreciation	3,920	41	3,961	2,835	2,862	
Internal recharges	(21,761)	2,775	(18,986)	(22,575)	(19,792)	On direct costs
Rent, rates and power	1,665	-	1,665	1,868	1,868	On direct costs
Printing, postage and telephone	4,466	-	4,466	4,578	4,578	On direct costs
Recruitment and training	989	-	989	642	642	On direct costs
Other costs	13,095	698	13,793	13,953	14,468	On direct costs
Professional costs	3,921	-	3,921	3,665	3,665	On direct costs
Travelling	697	606	1,303	799	1,812	On direct costs
Agency costs	1,301	-	1,301	-	-	
Audit fees	-	4,955	4,955	-	4,750	Governance
	181,670	10,867	192,537	150,040	160,514	
Analysed between						
Trading	41,882	-	41,882	32,319	32,319	
Charitable activities	139,788	10,867	150,655	117,721	128,195	
	181,670	10,867	192,537	150,040	160,514	

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

10	Net movement in funds	2020 £	2019 £
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	4,955	4,750
	Depreciation of owned tangible fixed assets	8,635	9,879
	Operating lease charges	59,714	76,094
		<u> </u>	<u> </u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Expenses of £598 (2019: £1,005) were paid to the trustees in the year.

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Direct charitable activities	60	67
Raising funds	12	12
Governance	1	1
	<u> </u>	<u> </u>
	73	80
	<u> </u>	<u> </u>

Employment costs

	2020 £	2019 £
Wages and salaries	694,220	716,932
Social security costs	30,624	32,290
Other pension costs	62,622	70,570
	<u> </u>	<u> </u>
	787,466	819,792
	<u> </u>	<u> </u>

Redundancy payments made during the year totalled £Nil (2019: £5,250).

There were no employees whose annual remuneration was £60,000 or more.

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

13 Tangible fixed assets

	Freehold property £	Plant and equipment £	Fixtures and fittings £	Minibus and van £	Total £
Cost					
At 1 April 2019	90,000	80,890	14,765	21,862	207,517
Additions	-	650	951	-	1,601
At 31 March 2020	90,000	81,540	15,716	21,862	209,118
Depreciation and impairment					
At 1 April 2019	9,900	75,869	11,515	14,549	111,833
Depreciation charged in the year	1,800	2,527	1,058	3,250	8,635
At 31 March 2020	11,700	78,396	12,573	17,799	120,468
Carrying amount					
At 31 March 2020	78,300	3,144	3,143	4,063	88,650
At 31 March 2019	80,100	5,021	3,250	7,313	95,684

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	40,403	59,791
Other debtors	18,397	30,603
Prepayments and accrued income	24,001	24,561
	82,801	114,955

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	13,670	8,728
Trade creditors	22,736	21,443
Amount received in advance on contracts	2,000	20,637
Accruals and deferred income	24,415	42,058
	62,821	92,866

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2018 £	Movement in funds		Transfers £	Balance at 1 April 2019 £	Movement in funds		
		Incoming resources £	Resources expended £			Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Fairfield Pensioners	454	3,568	(2,529)	(1,493)	-	-	-	-
Daycare Amenity	6,331	13,368	(6,119)	(13,580)	-	-	-	-
Strictly No Falling	12,456	-	-	(12,456)	-	-	-	-
Memory Lane	11,208	23,731	(15,237)	-	19,702	129	(9,203)	10,628
	30,449	40,667	(23,885)	(27,529)	19,702	129	(9,203)	10,628

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

16 Restricted funds

(Continued)

The Fairfield Pensioners Fund was originally set up by Age UK Derby & Derbyshire in response to the closure of the Fairfield estate post office, the group meets each week to share transport to the nearest post office and caspoinet facilities and then socialise and participate in activities. The group is run with support from the Befriending Service. The group has developed extension projects and regularly works with other services in Fairfield.

The Daycare Amenities Fund represents monies raised by the Daycare centres in Bakewell, Hope, and Hlland Ward for additional activities for the service use.

Strictly No Falling is funded by Public Health which during 2012/13 transferred into Derbyshire County Council. Strictly No Falling is a quality assurance programme and influencing scheme to develop 'evidence based, NHS approved falls prevention activity such as chair-based exercise, Otago sessions and Tai Chi. AUKDD delivers under a Falls Prevention contract for the county, delivering the service and sub-contracting elements of the delivery to Derbyshire Community Health Service. The scheme includes development of a quality assurance scheme, development and start-up grants, support to individual tutors, a mapping and development programme to encourage more capacity in key areas and promotion to referral routes to ensure older people at risk of falling use the classes. The Strictly No Falling funding is to support start-up grants, training costs and promotion for the Strictly No Falling class development.

Memory Lane (North): Clinical Commissioning Groups in Derbyshire offered a round of grant funding in 2016 to deliver services which addressed their key objectives. AUKDD secured one grant for Memory Lane North which offers and extension of our Memory Lane methodology into additional areas in the North Derbyshire and Hardwick CCG areas. The service is appropriate and accessible to anyone aged 65+ vulnerable to social isolation but is specially designed for older people and carers living with dementia. Sessions are person-centred so each Memory Lane group is unique, responding to the memories of local communities and cultures. Activities, special events and location are dictated by members and local stakeholders allowing each Memory Lane group to reflect the needs of its community of interest.

Commentary on transfers

The Fairfield Pensioners Fund and the Daycare Amenities Fund have been reclassified as designated funds (as at 31 March 2019) as the income streams are now not deemed to be restricted.

The balance on the Strictly No Falling Fund has been transferred at 31 March 2019 to general unrestricted funds as the trustees are of the opinion that this surplus is available to be utilised against similar unrestricted service provision.

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Unrestricted funds

	Balance at 1 April 2018 £	Movement in funds			Balance at 1 April 2019 £	Movement in funds			Transfers 31 March 2020 £	Balance at 31 March 2020 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Unrestricted funds - general	405,916	1,121,461	(1,116,222)	(70,185)	340,970	1,034,915	(1,082,642)	(20,773)		272,470
Designated funds (see note 18)	811,876	-	(149,204)	97,714	760,386	93,655	(148,711)	20,773		726,103
	1,217,792	1,121,461	(1,265,426)	27,529	1,101,356	1,128,570	(1,231,353)	-		998,573

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018 £	Movement in funds			Balance at 1 April 2019 £	Movement in funds			Balance at 31 March 2020 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Emergency reserve	75,000	-	-	-	75,000	-	-	-	75,000
Staff reserve	150,000	-	(5,250)	-	144,750	-	(9,450)	-	135,300
Buildings reserve	250,000	-	-	-	250,000	-	-	-	250,000
Derbyshire local committee	1,450	-	-	(1,450)	-	-	-	-	-
Erewash local committee	120	-	-	(120)	-	-	-	-	-
Committee infrastructure improvements	14,965	-	(1,000)	-	13,965	-	-	-	13,965
Fundraising	61,549	-	(12,827)	9,992	58,714	18,587	(17,917)	-	59,384
Retail manager	43,920	-	(1,050)	-	42,870	-	(10,246)	211	32,835
Digital	25,000	-	(14,735)	-	10,265	-	(7,179)	(3,086)	-
I & A	29,398	-	-	-	29,398	-	-	-	29,398
Service evaluation	10,000	-	-	-	10,000	-	-	4,588	14,588
Quality assurance	5,000	-	-	-	5,000	-	-	-	5,000
Volunteer recruitment	10,327	-	-	-	10,327	-	-	-	10,327
Isolations and loneliness	18,838	-	-	-	18,838	-	-	-	18,838
Income maximisation	14,700	-	-	-	14,700	-	-	-	14,700
End of life roadshow	5,000	-	-	-	5,000	-	-	-	5,000
Mini-bus	24,403	-	(14,192)	1,557	11,768	152	(745)	35	11,210
Footcare	20,116	-	(53,094)	43,929	10,951	57,156	(64,045)	11,138	15,200
Carried forward	759,786	-	(102,148)	53,908	711,546	75,895	(109,582)	12,886	690,745

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Designated funds	(Continued)								
	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Brought forward	759,786	-	(102,148)	53,908	711,546	75,895	(109,582)	12,886	690,745
Bakewell	2,622	-	-	715	3,337	920	-	200	4,457
Keep it Going	13,162	-	(15,350)	4,671	2,483	1,167	(10,980)	7,330	-
Caroline Court	1,573	-	-	1,250	2,823	496	-	-	3,319
First Taste - projects	29,133	-	(28,114)	21,822	22,841	12,561	(21,192)	-	14,210
First Taste - running	5,600	-	(3,592)	275	2,283	100	(308)	-	2,075
Fairfield Pensioners	-	-	-	1,493	1,493	634	(2,484)	357	-
Daycare Amenity	-	-	-	13,580	13,580	1,882	(4,165)	-	11,297
	811,876	-	(149,204)	97,714	760,386	93,655	(148,711)	20,773	726,103

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Designated funds

(Continued)

The Emergency reserve is earmarked by the trustees for potential liabilities arising out of unexpected circumstances, including closure costs particularly those which may arise when any of the Charity's leases have to be terminated. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Staff reserve has been earmarked to mitigate liabilities for redundancy or TUPE costs and essential cover for key staff. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Buildings reserve has been earmarked for the purchase of shop premises, maintenance of properties and dilapidation liabilities on leases. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Retail Plan reserve was no longer considered necessary as a consequence of our changed retail investment priorities and has been undesignated.

The Derbyshire Local Committee reserve represents funds raised and donated by the committee which has not yet been spent.

The Erewash Local Committee reserve represents funds raised and donated by the committee which has not yet been spent.

The Infrastructure Improvements reserve represents funds earmarked to improve our IT and premises infrastructure.

The Fundraising reserve is earmarked to allow a small team of dedicated fundraisers to be established who will seek to establish long term sustainable income streams for the charity. This activity has commenced in the last year.

The Retail Manager reserve is earmarked to fund a dedicated Retail Manager to provide support to our shops and help them to increase the income they generate for the charity. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Internships reserve was reviewed during the year and considered no longer to be required in view of our evolving plans and the reserve was therefore undesignated.

The Digital reserve is earmarked to allow us to improve our digital capabilities by investing in both equipment and staff training. The amount required was reviewed during the year and amended to reflect the changed requirement.

The I&A reserve is earmarked to allow us to expand our face to face information and advice service into Chesterfield. The amount required was reviewed during the year and amended to reflect the changed requirement.

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Designated funds

(Continued)

The Service Evaluation reserve is earmarked to allow us to undertake evaluations of key projects to help identify the key beneficial outcomes of the projects. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Quality Assurance reserve is earmarked to allow us to provide a dedicated resource to support the implementation throughout the charity of initiatives designed to improve the quality of all our interactions with older people such as the Dementia Friendly and Scam Friendly programmes. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Volunteer Recruitment reserve is earmarked to fund support to our shops and services in the recruitment and retention of volunteers.

The Isolation & Loneliness reserve is earmarked to fund a worker focused on developing services to reduce isolation and loneliness amongst older people.

The Income Maximisation reserve is earmarked to fund a series of local initiatives designed to support disadvantaged clients to ensure they are claiming the full range of benefits to which they are entitled. The amount required was reviewed during the year and amended to reflect the changed requirement.

The End of Life Roadshow reserve is earmarked to allow us to develop a service bringing together those services most important to older people as they plan for the later stages of their life. The amount required was reviewed during the year and amended to reflect the changed requirement.

The Mini-bus reserve was earmarked towards the purchase and operation of two minibuses to allow us to develop some new services whilst also reducing our reliance on other transport providers. We now operate two buses and transport some of our service users on a regular basis and others on an ad hoc basis.

The Tootsies Footcare Service scheme aims to deliver Footcare support to people aged 50+. Footcare can contribute to a loss of independence because of foot pain, increased risk of falls and loss of personal dignity. The service will also link users to a wide range of support through the use of the First contact referral system. The service expanded from its original pilot area and in 2014/15 developed to over 20 venues across the County but as the external restricted funding for the service has now ceased it was reclassified during the year as designated funding.

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 Designated funds (Continued)

Bakewell is fundraising raised specifically to help to safeguard the long term future of the service.

Keep it Going is a new initiative for which funds have been earmarked to support it during the initial period. It is a funding concept designed to highlight to those who receive most financial benefit from our free advice that we rely on public support by way of donations and fundraising to be able to provide the service.

Caroline Court is fundraising raised specifically to help to safeguard the long term future of the service.

First Taste Projects is the remaining grant funding transferred into the charity to fund the current projects.

First Taste Running Costs is the balance of funds previously held by First Taste earmarked to cover the administrative costs of the office base.

19 Analysis of net assets between funds	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total Unrestricted funds		Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
				2020	2019			
Fund balances at 31 March 2020 are represented by:								
Tangible assets	88,650	-	-	88,650	95,684	-	-	95,684
Current assets/(liabilities)	183,820	726,103	10,628	920,551	245,286	760,386	19,702	1,025,374
	272,470	726,103	10,628	1,009,201	340,970	760,386	19,702	1,121,058

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

20 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	44,839	45,714
Between two and five years	31,696	59,428
	<u>76,535</u>	<u>105,142</u>

21 Events after the reporting date

Since the year end, the spread of COVID-19 has severely impacted many local economies around the globe. As a result, Charities are being forced to cease or limit operations for long or indefinite periods of time. Governments and central banks have responded with monetary and fiscal interventions to stabilise economic conditions and the Charity has utilised the Furlough measures introduced by the Government. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have resulted in the Charity being forced to postpone some of its events which has had the impact of reducing its income.

The Trustees have determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Charity for future periods.

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	<u>54,796</u>	<u>55,796</u>

Donations received from trustees totalled £756 (2019: £56).

AGE UK DERBY & DERBYSHIRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

23	Cash generated from operations	2020 £	2019 £
	Deficit for the year	(111,857)	(127,183)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(10,422)	(9,732)
	(Gain)/loss on disposal of tangible fixed assets	-	2,300
	Depreciation and impairment of tangible fixed assets	8,635	9,879
	Movements in working capital:		
	Decrease/(increase) in debtors	32,154	(14,797)
	(Decrease)/increase in creditors	(30,045)	6,587
	(Decrease) in deferred income	-	(12,235)
	Cash absorbed by operations	(111,535)	(145,181)