

Company number: 3039668

Charity number: 1045623

Age Concern Islington



(Age Concern Islington operates as Age UK Islington)

Report and financial statements
For the year ended 31 March 2019

Age Concern Islington

Reference and administrative details

For the year ended 31 March 2019

Status	Age UK Islington is an operating name of Age Concern Islington. Age Concern Islington was first established in 1963. It is a charitable company limited by guarantee, incorporated on 30 March 1995, and registered with the Charity Commission on 6 April 1995.	
Purpose	Age Concern Islington's charitable object for the public benefit is the welfare of local older people in and around Islington.	
Governing document	Age Concern Islington was established under a Memorandum of Association, which established the objects and powers of the organisation. It is governed under its Articles of Association.	
Company number	3039668	
Charity number	1045623	
Registered office and operational address	6-9 Manor Gardens LONDON N7 6LA	
Country of registration	England & Wales	
Country of incorporation	United Kingdom	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mr Chris Bulford	Chair
	Mr Clive Bowman	Treasurer
	Ms Monica Douglas Parris	
	Ms Kathrin Meyrick	
	Ms Hilary Nathan	(resigned 20/05/2019)
	Mr Howard Sharman	
	Ms Marjorie Thiman	
	Mr Mark Warwick	
	Mr Chris Faint	(appointed 24/09/2018)
Principal staff	Andy Murphy	Chief Executive and Company Secretary
Bankers	HSBC plc 25 Islington High Street LONDON N1 9LJ	Unity Trust Bank plc Nine Brindley Place BIRMINGHAM B1 2HB

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Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House, 108-114 Golden Lane
LONDON, EC1Y 0T

Chair's Statement

I am pleased to introduce the Trustees report for 2018/19. We believe the report shows the charity made good progress during the year, increasing the level of services we offer, improving our financial stability, keeping our governance systems up to date, and continuing to invest in our systems, people and partnerships.

The year saw a marked increase in promotion of 'social-prescribing' approaches by policy makers. This is directly in line with our focus on providing 'connecting and enabling' services between statutory and community systems of support. We have worked hard with colleagues across all sectors to turn policy vision at national level into on-the-ground reality in Islington. The result is that our services are operating at increasing levels and within increasingly joined-up systems and standards. Our health navigator service, for example saw a further 22% increase in referrals in 2018-19, on top of a 16% increase in 2017/18.

Social prescribing, and our wider 'Wellbeing' focused approach is particularly focused on broader issues – 'wider determinants of health' – such as loneliness and isolation. It is an increasing challenge for all parts of society, but particularly so for older people. During the year, 48% of people we supported reported feeling lonely or isolated, compared to 40% in 2017/18 and 28% in 2016/17.

Our 'Wellbeing-in1' service model enables us to link people directly to social activities and tackle other barriers to keeping connected with everyday life. Our goal is to enable people to feel positive – to experience a "good life" – despite the impact of ill health, social isolation, or other impairments. And we want to be proactive about it, not waiting for people to have to contact us, but keeping a channel of communication open, even at difficult times. Our telephone contacting service – Wellbeing 360 – is key to achieving this goal, and we thank our many local volunteers who contributed to the thousands of calls made during the year.

The increasing complexity and interconnectedness of the work we do leads to great opportunities but also increased responsibilities. I am grateful to my Trustee colleagues for their expert input in carrying out these responsibilities, which cover everything from the technical aspects of care provision, marketing and communications, human resources, financial, legal and regulatory compliance, safeguarding, and with greater focus this year, GDPR and privacy. We continue to keep our governance arrangements under review and during the year created a new Governance Committee to coordinate the many detailed governance processes in operation.

Financial stability is critical to the success of our plans and I am pleased to report that performance during the year was positive, achieving both efficiencies in expenditure and gaining new sources of income. This in line with financial plans and the charity's general fund of reserves is in line with our policy.

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Chair's statement

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Ultimately, people are our greatest asset. Our workforce of paid staff and volunteers are the foundation and key to the charity's success, and I thank them for their continued commitment and skill in delivering services that are efficient, responsive and relevant to the evolving needs of our beneficiaries.

Chris Bulford

Chair

The Charity's mission and purpose

'Age UK Islington' is an operating name of Age Concern Islington, an independently registered charity and company limited by guarantee. We operate as a member of the national Age UK Brand Partnership.

Our mission and purpose is to promote and assist the wellbeing of people in and around Islington. The Trustees consider that good progress was made in 2019–20.

Highlights include:

- 3055 people provided with individualised support
- 1379 people supported for the first time, a 21% increase over 2017–18 (1142)
- 4395 case work episodes provided across the range of services. (3961 in 2017–18)
- Support to reduce isolation remained high at over 42% of all clients.
- 753 people took up social activities run in the community or centre-based locations
- 323 Carers provided with support for the first time
- 1661 'Social Prescribing' referrals made, an increase of 23% over the previous year (1285)
- 1542 Active Signposts made, an increase of 52% over 2017–18 (1009)
- 80% user satisfaction with services received. 95% of respondents saying they were likely/extremely likely to recommend services to a friend – a result level with the previous year
- ISO accreditation maintained
- Financial performance stable, productivity efficiencies and new income secured.

Beneficiary needs and how we respond

The primary beneficiaries of the charity are people over 60 living in the London Borough of Islington. We also provide care navigation and support to people under 60 who are living with long term health conditions, and a specialised service for family carers. Another major focus is on reducing social isolation and loneliness.

The different service types we offer are designed to be tailored to people's specific situations and their confidence and ability to cope. The ways we can help include: providing information; general and topic-specific advice and guidance; problem solving and enabling support over a number of weeks, intensive 'case work' for people with more long-standing or multi-faceted situations and challenges; proactive wellbeing-screening calls; centre-based social activities; and community get-togethers.

All of our services are orientated towards helping people identify and head off problems before they turn into crises, or become impossible to manage without intrusive and costly statutory help.

Service users don't always know how to describe their situation, or their needs, or how our services work. To get over this barrier all of our activities are grouped together into a single

'Wellbeing-in-1' model. This single point of access makes it easier for service users and practitioners to approach us, and provides space and time us to work together on the best solution to meet peoples' individual needs.

During 2018-19 we continued to work closely with health and social organisations to integrate our own, wellbeing-focused information and services, with the wider system of health and social care. 'Social Prescribing' is a key part of our service model, and during the year we connected with over 300 local services and organisations.

We recognise that working together with others and combining our specialisms and strengths is the best way of ensuring we have the knowledge, skills and capacity to serve increasing numbers of people.

Aims and Principal Activities

Our aims and principal activities consist of:

- Providing support directly via our own services
- Providing a connection point to other sources of support
- Identifying unmet needs and developing new services for the future

Direct support services are listed below, grouped by Charitable Activity heading.

Charitable Activity	Service	Summary of support provided
Information, advice and support planning	Information and Signposting	Materials, advice and guidance to find and obtain local services and activities
	Islington Carers Hub	Information and advice to support unpaid carers in caring for a relative or friend.
	Wellbeing 360	Telephone contact to check on wellbeing and screen for cases where preventative type support might be needed or helpful
Enabling Independence	Community Enablement	Short term – six to eight week – help to recover confidence and ability to live independently, safely and well.
	Hospital Discharge Support	Preparing the home environment for people leaving hospital as part of planned discharge arrangements.
	Health Navigators	Specialist signposting for people with complex and long-term health conditions, linking GP and other health services with the wider, wellbeing-focused support available in the communities in which people live.

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	New Models of Navigation	A range of pilot services developing new ways of integrating navigation type activities with other health-related services.
Activities for Wellbeing	Centre based Activities	Activity and interest groups meeting at our Drivers Activity and Advice Centre.
	Community Activities	Setting up, organising and facilitating friendship and interest groups via regular 'Get Togethers' at venues around the borough
	Activity Partners	Practical help and encouragement to take up social activities and become less isolated.

Our aim is simple: to put together tailored combinations of services and activities that help people maintain and improve their feeling of wellbeing, confidence, resilience and quality of life. Based on what people tell us is important to them, we define wellbeing as a person's general confidence and positive feelings – 'OK-ness' – in the following broad areas:

- Looking after myself
- Looking after my home
- Feeling safe in and around my home
- Managing my money and affairs
- Meeting people and doing things
- Generally feeling confident

In practice, each person benefits from different types and combinations of support. Many of our beneficiaries receive help from three or more different services or activities. Where we are not able to help directly ourselves, we are able to offer an extended range of services through a network of linked providers with specialist capabilities or knowledge.

We also work closely with statutory health and social care teams, and seek to provide the link between these formal services and the wider range of help available to people from the community and their own circles of friends, family and neighbours.

How We Help: 1

Mr A was referred to us by Social Services. Mr A has Parkinson's disease and diabetes, is in his mid-60's, lives on his own and has little social contact and support. He recently had a fall so was referred to our services for help in getting out and about again.

On meeting Mr A it was clear there were many other, and deeper, issues and areas where he needed help. He had a pile of unopened letters, mostly demands for overdue bills and debts. He also had a benefits application letter notifying him his application had been stopped as he hadn't

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submitted an assessment on time. Mr A was helped to restart the application, on the grounds that he had been in hospital. He was helped to handle multiple other payment demands from various companies, including his mortgage company. A main difficulty was that he only had a post office account and was unable to go to the post office to access his money. He had the funds to pay but was unable to set up direct debits with that account.

He was connected to a specialist agency for support with managing debts and organizing payments. He now has a support worker from that agency and in addition the Council Income Maximisation Team have supported him to apply for his pension and pension credit, as he is now at the eligible age.

Given the extent of Mr A's vulnerabilities our Care Navigation service took over coordination of his ongoing support. The Care Navigator coordinated an ongoing care package from Social Services, updated Mr A's GP at multi-disciplinary network meetings and set up liaison arrangements with a Parkinson's nurse for his support.

Ongoing AUKI contact and support was set up via Wellbeing 360 monitoring calls, to check on progress and improvements in Mr A's overall wellbeing, and to pick up and deal with any other potential issues that may arise. The initial reason for referral – to prevent isolation and start getting out and about after his fall – is now being worked on by our Community Activities team.

Case Outcomes: Avoid debts – Manage spending – Afford more of what I need – Get the support I need – Look after my home – Avoid accidents at home – Meet people and do things

AUKI Wellbeing in 1 Services: Get Help Contact Centre; Navigation; Wellbeing 360 Checks, Community Activities

Key Objectives and Achievements during 2018–19

The Trustees consider that good progress was made in 2018–19.

Our vision is for everyone to be empowered to have a good life. Our strategy is to focus on 'connecting and enabling' forms of support, increasing our capacity to reach and support more people, across the whole spectrum of needs and requirements. Focusing our contribution in this area helps avoid duplication with other services, and ensures the organisation continues to make a distinctive and relevant contribution to local communities of support.

Our annual plans and objectives are focused on being both more efficient and more effective in how we support people, as well as on delivering more value from the service contracts we are commissioned to deliver, and which provide the largest part of our income. Systems for measuring impact are key to achieving this and we have continued to invest in technology solutions and approaches to embed analysis and insight directly into the provision of services.

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We continue to invest in developing a modern, evidence-based management framework within which our paid staff and volunteers can be empowered to make the 'right decisions at the right time', confident that the outcomes they are working towards with beneficiaries are in line with organisation and regulatory policies and processes.

Joint working and partnerships are at the heart of what we do. We continue to work towards closer integration with the health and social care system, as well as wider community services and sources of support, and of course, with the people we serve.

A prevention approach fits directly with our charitable aims as well as with local and national government policy: statutory commissioning is our primary source of funding and the focus on prevention ultimately provides value by reducing calls on statutory provision.

A summary of achievements and progress against our strategic priorities and focus areas is provided below.

Priority	Achievement/Progress during 2018-19
Continue and increase the focus of services on helping people maintain broader wellbeing.	<ul style="list-style-type: none">▪ Continued with three development programmes focused on connecting wellbeing types of help with primary health care: Health Coaching; Frailty Early Identification and Support; Choice and Control.▪ Further developed our "In My Own Words" approach, developing and testing new AI-based technology for extracting information on client needs and support input requirements, across the range of organisation services.▪ Increased efficiencies: level of provision of navigation services increased by 22% with no increase in cost.
Integrate all services around a 'Wellbeing - in - 1' operating model	<ul style="list-style-type: none">• Carried out a restructuring of services into two main areas - Carers and Community, and Personalised Care and Support.• Redesigned service processes around a personalised "Wellbeing Plan", to streamline and focus the collection of different service activities best suited to an individual client.• Maintained a cross-organisation quality assurance system, achieving noticeable improvements in communication across internal service areas.
Contribute to wider developments in social prescribing and wellbeing-focused support	<ul style="list-style-type: none">• Contributed to the development of social prescribing across North Central London. Made focused contribution to Workforce, Marketing and Comms, and overall Design task and finish work groups.

- Organised and ran a series of workshops focused on identifying effective system-wide practice around social prescribing.
- Gave presentations on social prescribing and wider, wellbeing-focused service approaches to organisations and teams from an increasing range of sectors and settings, including acute clinical teams, nursing and others

Invest in communications to widen awareness of our services and the specific value/impact they provide

- Created new Communications Manager role and changed the focus of Contact Centre operations to increase outbound communications with clients and practitioners.
- Implemented a programme of website updates.

Maintain effective governance

- Appointed one new trustee to the Board.
- Created new Governance Committee to coordinate and give detailed consideration to governance issues
- Achieved ISO9001 accreditation for the eleventh successive year.
- Implemented and monitored compliance with General Data Protection Regulations (GDPR), achieving 98% compliance rates and meeting requirements for Data Subject Access and other Privacy-related regulations.

Maintain financial stability

- Achieved budget target of break even
- Increased organisation reserve levels
- Agreed a programme of efficiencies to contribute to London Borough of Islington savings programme.

Continue with digital transformation programmes for increased efficiencies and to increase reach of the help we offer

- Invested in upgrades to our core IT platform and case management system, as well as purchasing new, linked applications to support and increase the level of communications and information provision to clients, as well as feedback.
- Continued with controlled testing and introduction of AI and other automation tools and technology in order to support staff in decision making and pave the way for 'self-serve', independent access to information and guidance on wellbeing.

Continue to develop staff and volunteer skills and competencies

- Designed and introduced a new 'Success Profile' framework for workforce management and development.
 - Redesigned job roles against future needs of organisation related to higher levels of integration with external
-

services, to undertake new, developmental roles and to achieve continued overall efficiencies.

How we Help – 2

Mr B was referred to us via the Islington Council Hospital Discharge Team as part of planned discharge arrangements from an Intermediate Care Unit where he had been recovering after a long hospital stay following a stroke. Mr B has multiple support needs: he has a history of mental health issues, is Type2 diabetic and is a heavy alcohol user, he is not able to manage his daily living sustainably. The immediate issue was that his council flat needed a blitz clean and many repairs, and without these he could not be safely discharged home. AUKI hospital discharge worker coordinated access for cleaners and contractors, getting utilities put back on, supporting with grant applications to pay for necessary items. Our Enablement team then took over coordination of Mr B's support provided by AUKI. He was supported to initiate and complete a claim for Personal Independence Payment, and was awarded the full mobility and daily living components.

He was then discharged home but had a number of problems settling back in. He was finding it hard to manage his cleaning and shopping so he was supported to arrange privately-funded home help. He had a number of issues with his medication such as going weeks without as he couldn't get to the pharmacist to pick it up. We arranged for him to switch pharmacist so that he could have it delivered. We supported him to open bank accounts and set up direct debits to help him better manage his money.

During the cold spell this winter we called him as part of our checks on vulnerable clients. He was found to be without an electric heater as his gas had been disconnected and his heater had broken. We responded quickly by purchasing and delivering him a new heater. Contact with Mr B via Wellbeing 360 Checks has been increased in frequency and is ongoing.

Case Outcomes: Make my own decisions – Manage money – Avoid debts – Keep my home nice – Have more money coming in – Afford more of what I need – Keep Safe

AUKI Wellbeing in 1 Services: Hospital Discharge Support; Enablement; Wellbeing 360 Checks

Future Plans

As this report shows, good progress has been made in implementing second year objectives of the current strategic plan.

Highlights of the plan include:

- Continue to evolve and innovate around a 'Wellbeing in 1' model of operation, focusing on providing the bridge between statutory and community sources of support
- Expand capability to support people across age groups – in line with the direction of public

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sector commissioning models

- Based on this model, prioritise service delivery to individual people within Islington, including increased options for 'self-service' access to information and advice
- Continue with digital transformation programmes to increase productivity through automation, and improve service experience and quality of outcomes, ensuring security and privacy of data
- Explore and pursue opportunities for meaningful partnerships and service delivery approaches across a wider area, compatible with our charitable objects
- Develop opportunities for expanding revenue through traded services focussed on infrastructure to support wellbeing services delivery and development.
- Invest in improving communications of the charity's impact
- Ensure consistent messages regarding the charity's services and priorities are communicated to public and service partner stakeholders.
- Continue to develop workforce competencies within a Success Profile framework.
- Increase the role of volunteering to support scaling of service delivery and new ways of working
- Continue to contribute and participate in local and wider 'whole system' initiatives

A key theme emerging in 2018–19 was increased system-wide recognition of 'social prescribing' as a key part of health and social care policy. Turning this policy into sustainable, consistent and shared practice is a core contribution of the charity at a local level. Future plans will see a continued reorganisation of our service activity, management and infrastructure to increase and intensify our focus on both delivery and development of social prescribing.

Senior Management Remuneration

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating it on a day to day basis. Currently these personnel include the CEO and two Heads of Service.

The pay of the senior staff is reviewed annually. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities of a similar size with a similar business model. The remuneration bench-mark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid.

Governance and Management

Age UK Islington is an operating name for Age Concern Islington, a company limited by guarantee and a registered charity founded in February 1963. Its governing instrument is its current Memorandum and Articles of Association, approved by the AGM in November 2006.

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Age UK Islington is run by and for local older people, with a diverse Board, 50% of whose membership is made up of local older people, 25% from a Black and Minority Ethnic background, and an equal number of male and female members. Its governing body is the Board of Trustees, whose members are trustees under charity law and directors for the purposes of the Companies Acts. Trustees and Honorary Officers are elected by the members of the charity at the Annual General Meeting for a period of three years, and may be co-opted in between AGMs.

Members of the Board of Trustees of the charitable company each 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 2018 was nine (2017: eight). Members of the Board of Trustees have no beneficial interest in the group or charitable company. Any potential conflicts of interest are recorded annually, and updated at every Board meeting, so that these can be monitored and managed as necessary.

Trustee Recruitment and Training

Trustees are recruited by various means. We write round to local voluntary groups and companies, setting out our needs and inviting applicants. We also use recruitment consultancy services, online recruitment systems and sometimes interested parties approach us directly. We seek to cover a specified range of expertise and backgrounds on the Board. We take up references for applicants. Normally a sub group of Board members will meet a prospective Trustee to discuss their application. A Trustee may be co-opted by the Board before the AGM. Any appointment is put to the subsequent Annual General Meeting for Members to vote on.

Decision-Making

The full Board of Trustees met seven times in 2018–19 to set strategic direction and review the performance, compliance and finances of the charity. Sub groups of the Board provide detailed review and recommendations to the Board in the following areas: finance; strategy and marketing. A new, Governance Committee, accountable to the Board, was formed in May 2019 with the purposes of receiving and reviewing detailed governance reports across the organisation, and carrying forward specific themed areas. A key theme for the current year is succession planning to the Chair and CEO roles.

Operational and day-to-day decision-making is delegated to the Chief Executive of the charity, supported by an Operations Director and team of staff. Major new initiatives are always put to the Board. Work in pursuit of previously agreed objectives is undertaken by staff and reported to the Board. The Board scrutinises these reports against agreed objectives to assess the performance of the charity in achieving its charitable objectives to a high standard and cost-effectively. Periodic special meetings or Awaydays are used to review performance and strategic objectives.

In administering the charity, the Board of Trustees have complied with the duty in s.4, Charities Act 2006, to consider the Charity Commission's published guidance on satisfying the Public Benefit requirement. The structure and content of this Annual Report is based on this guidance.

Risk Management

Major risks facing the charity are identified and kept continually under review throughout the year. A general review is carried out by the Board at least annually under a range of categories, including not just financial risk, but also operational risk and external risk, for example. Each risk is assessed and scored for its likelihood of occurring and its expected impact if it were to occur. Mitigating measures are agreed to reduce higher risks to a level that is acceptable to the Board. No organisation can ever be risk free, but the Board of Trustees is comfortable that the range of measures and controls put in place have reduced to a reasonably acceptable level the various risks faced by Age UK Islington.

The current principal risks and uncertainties facing the charity are summarised below.

Risk/Uncertainty	Risk Category	Controls and Mitigation
Impact of Brexit on main funder partners ability to commission services	Financial	Ongoing discussion with LB Islington officers around an already-agreed refocusing of services in high-value areas. Continuing to develop position and capability to attract contracts and commissioning across a wider geographical area.
Impact of Brexit on service operations, recruitment and other logistical functions	Resources, People	The organisation is not heavily reliant on EU nationals as part of the workforce. There may be some disruption to infrastructure especially in the case of a no-deal exit. Joint planning is underway with LB Islington on business continuity plans to ensure system-wide resilience in this scenario.
Concentration of activity and primary funding sources within a single London Borough geographical area	Financial	Continued development of revenue generating opportunities. These may be provided under a different operating name in order to comply with territorial restrictions forming part of the Brand Partner Agreement with Age UK.
Failure to recruit/retain senior staff with required skills	People/Operational	Organisation restructuring to reduce management levels and group under two main operational areas each with Head of Services. Development of 'in-house' approach to training and skills development - via a managed

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Success Profile approach – for these and other roles in order to retain skills more widely across the organisation.

Planned retirement of CEO People/Operational

Succession planning programme underway.

Organisational Structure

Staff and Volunteers

Age UK Islington had 37 staff as at 31 March 2019, including full-time and part-time staff. We value and welcome diversity, and have a good record of recruiting and retaining staff of varying backgrounds, ethnic origin, beliefs, and sexual orientation.

Volunteers play a vital role in the work of the organisation. Across the full range of our work there were around 100 volunteers at any one time participating in our projects and feeding into the development of the organisation.

Trading Subsidiary

Trading by our subsidiary trading company, Islington Age Concern Trading Company Ltd, provided consultancy services around reporting and analytics system, under the operating name 'Outcomes Plus'. Separate accounts are available for the subsidiary company. A summary of results is shown in note 12 within this report and a statement of group and charity assets and liabilities is shown in the balance sheet.

How we Help – 3

Ms C is a 60-year-old single woman and has been a carer for over 20 years. Initially for both her parents, now caring for her 91-year-old mother who has multiple health conditions including heart disease and arthritis. Ms C called ICH to register herself as a carer and request a Carers Assessment.

Ms C suffers from depression and anxiety and her GP had told her to take 6 months off from her caring role, but she just continued as there was no one else to care for her mother.

The caring role was affecting her physically and mentally without having much time to herself and that she is finding her caring role increasingly more difficult and unable to cope. Our Carers Hub support focused first on helping contact Social Services to get a package of care for her mother reinstated, with the potential for a Direct Payment as this would potentially allow more flexibility and personalised support to be acquired.

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To gain support for her own physical and mental health we supported Ms C to attend carers support groups and a carers emergency card application was also made. We also set up a proactive, quarterly "Wellbeing" calls as a prevention action service to help identify and deal proactively with any future issues.

Outcomes: Positivity, Get the support I need, Be less anxious, Wellness

AUKI Wellbeing-in-1 Services: Carers Hub

Financial Review of 2018–19

Financial performance exceeded targets for the year, achieving an operating surplus of £86,524.

The Trustees believe this is a good result, in line with the charity's strategy of achieving both increased productivity and controlled growth. In terms of productivity, all areas of activity met delivery objectives set out in service contracts, with some exceeding specified service levels by up to 20% compared to the previous year. Growth in income was mainly derived from new, developmental, service programmes linked to the continuing development of social prescribing and the integration of broader, wellbeing-focused forms of help with mainstream statutory provision.

Enabling and supporting this wider system change is at the core of our strategy for ensuring the mission of the charity continues against the background of continued economic pressures. Our financing model focuses on service contracts as the core source of income, as this provides the scale of funding needed both for stability and for investing in growth and innovation. It enables the charity to continually adapt its service activity to the needs of the population it serves. It also means that we can continue to provide help at no charge to beneficiaries.

Total income in 2018–19 was £1,674,683, representing a 10.5% increase over the previous year (£1,514,983). Expenditure during the year was £1,588,992, £10,387 lower than 2017–18 (£1,599,379), a result of system and infrastructure-driven productivity.

Looking at the balance sheet, total funds at the end of the year amounted to £508,677 (2017–18: £422,153). Unrestricted funds were £481,586 (2017–18: £389,550). Looking ahead to 2019–20 the Trustees approved an increase in designated funds to £50,257, to support the next planned stage in organisation development. After these agreed designations, general funds amounted to £431,586 (2017–18: £370,057), an increase of £61,272 over the previous year, and further strengthening the charity's reserves position (see below).

All the above results were derived from continuing activities.

Principal sources of funding are listed below. Despite the strong focus on contract income, as part of our risk management strategy, trustees have continued to look at opportunities for diversifying

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income. As stated above, we have ruled out charging beneficiaries for services, on the basis that this can both restrict access to help, as well as create uncertainty and risk of misconceptions as to the nature of the charity's dealings with people. During 2018–19 the trustees investigated and approved a new investment policy to help protect against inflation and add income. Recognising the risks involved, a cautious approach was taken to the initial investment level.

Our subsidiary trading company, Islington Age Concern Trading Company, provided consultancy and support services for other charities in data management and service redesign. Operating under the trading name 'Outcomes Plus', net income to the charity from trading activity amounted to £2,966. For a full breakdown of trading company finances please see separate accounts prepared.

Staff costs remain the main item of expenditure, amounting to £1,173,105 for directly employed staff in 2018–19, up from £1,137,870 in the previous year and representing 73.8% of total costs, (2017–18: 63%). The average number of full-time-equivalent employees during the year increased to 35.6 (2017–18: 33.7). The charity operates a defined contribution pension scheme. Employer contributions to the scheme during the year amounted to £33,293 (2017–18: £27,241). Operating leases on organisation premises were broadly level at £89,437 (2017–18: £88,115).

Reserves Policy

Unrestricted reserves comprise both designated and free reserves. As stated above, the Board of Trustees, as part of its consideration of its reserves policy, has designated £50,257 to meet continued organisational development requirements.

The balance of free reserves are assigned to meet the requirements of the charity's reserves policy.

The aim of the reserves policy is to retain sufficient resources to ensure the sustainability of our charitable activities for the benefit of beneficiaries who depend on us for support of one sort or another. This means that the charity must be reasonably able to cope with the considerable variations in income and expenditure that can easily affect charities. In setting an appropriate level of reserves, the Board also strives to provide for the needs of future beneficiaries by utilising any retained surpluses for investment in service development.

The main uncertainties and possible future expenditure items against which the charity needs to hold reserves include the following:

- Development work on future activities – for the organisation in general or for specific projects;
- Late receipt of income from funders;
- Interim financial cover for funding shortfalls;
- Premises and equipment items;

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- Staff contingencies;
- Occasional irregular expenditure flows.

The Board follows Charity Commission guidance in relation to reserves. Under the current policy reserves are set at between 3 and 4 months of expenditure, calculated on the basis of total expenditure minus those direct service costs that are not salaried staff costs. The rationale is that with the bulk of income derived from service contracts, if service income were lost, direct service provision costs, other than staff costs, would be terminated simultaneously.

The interim level of reserves is monitored regularly by the finance sub-group of the Board. Based on the 2019–20 budget, 3 months of reserves calculated on the basis above amounts to £340,000. At the end of financial year 2018–19 general funds amounted to £431,329, representing approximately 4 months of the 2019–20 budget. The Board of Trustees considers this prudent given the continuing economic uncertainty.

The Board of Trustees reviews the reserves policy at least annually to ensure it remains relevant to the income and expenditure profile of the charity and is appropriate to risks and opportunities in the operating and funding environment. As part of the review process during 2018–19 it was decided to remove a lower set limit of reserves, previously fixed at £250,000, as a lower limit was considered no longer relevant to the purpose of the policy.

Principal Sources of Funding

Principal sources of funding include local statutory organisations and grant-making trusts, as well as corporate donors.

Statutory funders include the London Borough of Islington and Islington Clinical Commissioning Group (CCG). We also undertake subcontracted service provision with the Islington GP Federation.

During 2018–19 the following grant making trusts and corporate donors contributed funding to support our work:

- All Change Arts Ltd
- Anthony and Rachel Williams Charitable Trust
- Big Ideas Company
- Bloomberg
- Crowd Funder UK
- Dunhill Medical Trust
- Heritage Lottery Fund
- Hymans Robertson LLP
- Santander
- Waitrose Ltd

The charity also received £1,721 as unsolicited donations from individuals.

We are deeply grateful to all those who provide funding to help us support the wellbeing of local people.

Statement of responsibilities of the trustees

The trustees (who are also directors of Age Concern Islington for the purposes of company law) are responsible for preparing the report of the trustees 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 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 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 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.

Age Concern Islington

Trustees' annual report

For the year ended 31 March 2019

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The report of the trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 23 September 2019 signed on their behalf by

Clive Bowman
Treasurer

Independent auditor's report

To the members of

Age Concern Islington

Opinion

We have audited the financial statements of Age Concern Islington (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated 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 group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's and parent charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group and 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 group's or the parent 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.

Independent auditor's report

To the members of

Age Concern Islington

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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, 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.

Opinions 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 trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Age Concern Islington

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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 auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control

Independent auditor's report

To the members of

Age Concern Islington

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Joanna Pittman (Senior statutory auditor)

1 October 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Age Concern Islington

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2019

	Note	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Income from:							
Donations and legacies	2	26,488	5,000	31,488	25,727	7,500	33,227
Charitable activities							
Information, Advice and Support planning	2	444,854	12,000	456,854	454,694	(22,700)	431,994
Enabling independence	2	968,325	–	968,325	829,683	–	829,683
Activities and Well-being	2	135,238	27,627	162,865	122,566	35,485	158,051
Capacity building	2	46,000	–	46,000	46,000	250	46,250
Other trading activities	3	7,168	–	7,168	14,961	–	14,961
Investments		1,983	–	1,983	817	–	817
Total income		1,630,056	44,627	1,674,683	1,494,448	20,535	1,514,983
Expenditure on:							
Raising funds							
Fundraising	4a	8,052	–	8,052	16,234	–	16,234
Trading	4a	4,202	–	4,202	7,085	–	7,085
Charitable activities							
Information, Advice and Support planning	4a	416,083	8,496	424,579	464,523	24,953	489,476
Enabling independence	4a	795,189	4,147	799,336	681,793	3,989	685,782
Activities and Well-being	4a	198,329	37,496	235,825	197,807	28,113	225,920
Capacity building	4a	116,998	–	116,998	146,231	28,651	174,882
Total expenditure		1,538,853	50,139	1,588,992	1,513,673	85,706	1,599,379
Net income / (expenditure) before net gains / (losses) on investments		91,203	(5,512)	85,691	(19,225)	(65,171)	(84,396)
Net gains / (losses) on investments		833	–	833	–	–	–
Net income / (expenditure) for the year and net movement in funds	5	92,036	(5,512)	86,524	(19,225)	(65,171)	(84,396)
Reconciliation of funds:							
Total funds brought forward		389,550	32,603	422,153	408,775	97,774	506,549
Total funds carried forward		481,586	27,091	508,677	389,550	32,603	422,153

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Age Concern Islington

Balance sheets

Company no. 3039668

As at 31 March 2019

	Note	The group		The charity	
		2019	2018	2019	2018
		£	£	£	£
Fixed assets:					
Tangible assets	10	257	1,578	257	1,578
Investments	12	100,833	-	100,835	2
		<u>101,090</u>	<u>1,578</u>	<u>101,092</u>	<u>1,580</u>
Current assets:					
Debtors	13	66,414	51,819	72,549	77,388
Cash at bank and in hand	18	479,918	590,195	473,783	559,672
		<u>546,332</u>	<u>642,014</u>	<u>546,332</u>	<u>637,060</u>
Liabilities:					
Creditors: amounts falling due within one year	14	(138,745)	(221,439)	(138,747)	(216,487)
		<u>407,587</u>	<u>420,575</u>	<u>407,585</u>	<u>420,573</u>
Net current assets		<u>407,587</u>	<u>420,575</u>	<u>407,585</u>	<u>420,573</u>
Total net assets	16a	<u><u>508,677</u></u>	<u><u>422,153</u></u>	<u><u>508,677</u></u>	<u><u>422,153</u></u>
The funds of the charity:					
Restricted income funds	18a	27,091	32,603	27,091	32,603
Unrestricted income funds:					
Designated funds		50,257	19,493	50,257	19,493
General funds		431,329	370,057	431,329	370,057
		<u>481,586</u>	<u>389,550</u>	<u>481,586</u>	<u>389,550</u>
Total unrestricted funds		<u>481,586</u>	<u>389,550</u>	<u>481,586</u>	<u>389,550</u>
Total charity funds		<u><u>508,677</u></u>	<u><u>422,153</u></u>	<u><u>508,677</u></u>	<u><u>422,153</u></u>

Approved by the trustees on 23 September 2019 and signed on their behalf by

Clive Bowman
Treasurer

Age Concern Islington

Consolidated statement of cash flows

For the year ended 31 March 2019

Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	86,524	(84,396)
Depreciation charges	1,321	22,240
Dividends, interest and rent from investments	(1,983)	(817)
(Gains)/losses on investments	(833)	-
(Increase)/decrease in debtors	(14,595)	12,425
(Decrease)/increase in creditors	(82,694)	128,716
	<hr/>	<hr/>
Net cash provided by operating activities	(12,260)	78,168

	Note	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by operating activities		(12,260)		78,168	
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,983		817	
Purchase of investments		<u>(100,000)</u>		<u>-</u>	
Net cash provided used in investing activities		(98,017)		817	
Change in cash and cash equivalents in the year		(110,277)		78,985	
Cash and cash equivalents at the beginning of the year		<u>590,195</u>		<u>511,210</u>	
Cash and cash equivalents at the end of the year	18	<u>479,918</u>		<u>590,195</u>	

1 Accounting policies

a) Statutory information

Age Concern Islington is a charitable company limited by guarantee and is incorporated in the United Kingdom.

The registered office address is 6–9 Manor Gardens, London, N7 6LA.

b) Basis of preparation

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Islington Age Concern Trading Company Ltd on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

No key judgements have been required to be made by the charitable company which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

1 Accounting policies (continued)

e) Income

Income, including income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Grants are credited to incoming resources when they are receivable as the charity's own money, unless they are for activities that relate specifically to a specific future period, in which case they are deferred to that period.

Income received under contracts for services is recognised in the financial statements in proportion to the percentage of completion of the contract.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

f) Investment income

Distributions from listed investments are included when receivable and the amount can be measured reliably by the charity; this is normally the date on which the holding is first quoted ex dividend or the end date of the period for which it is accrued as notified by the fund manager.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of information and advice, independence enablement, activity and wellbeing and capacity building services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

▪ Costs of raising funds	0.2%
▪ Information, Advice and Support planning	26.7%
▪ Enabling independence	53.3%
▪ Activities and Well-being	11.2%
▪ Capacity building	6.3%
▪ Support costs	1.8%
▪ Governance costs	0.5%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

▪ Costs of raising funds	0.1%
▪ Information, Advice and Support planning	26.2%
▪ Enabling independence	52.3%
▪ Activities and Well-being	15.3%
▪ Capacity building	6.1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the length of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

▪ Office equipment	4 years
▪ IT infrastructure	3 years
▪ Fixtures and fittings	4 years

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1 Accounting policies (continued)

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Investments

Investments in subsidiaries are at cost.

Listed investments are included in the balance sheet at bid price. Realised gains and losses on disposals in the year and unrealised gains and losses on investments at the balance sheet date are included in the Statement of Financial Activities for the relevant underlying funds. The historical cost of investments is shown in note 12a to the financial statements.

p) Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Age Concern Islington

Notes to the financial statements

For the year ended 31 March 2019

2 Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
London Borough of Islington:						
Information and Signposting	98,532	-	98,532	98,532	-	98,532
Islington Carers Hub	320,000	12,000	332,000	326,644	(22,700)	303,944
End of Life Care: Future Matters	20,100	-	20,100	20,189	-	20,189
Fees and other income	6,222	-	6,222	9,329	-	9,329
Sub-total for information, advice and support planning activities	444,854	12,000	456,854	454,694	(22,700)	431,994
London Borough of Islington:						
Hospital discharge post	32,390	-	32,390	32,390	-	32,390
Voluntary Sector Enablement	355,084	-	355,084	355,104	-	355,104
Islington CCG:						
Local service navigator services	533,444	-	533,444	391,711	-	391,711
Fees and other income	47,407	-	47,407	50,478	-	50,478
Sub-total for enabling independence activities	968,325	-	968,325	829,683	-	829,683
London Borough of Islington:						
Drovers day centre	95,000	-	95,000	95,000	-	95,000
Activities service	40,000	-	40,000	26,667	-	26,667
Dunhill Medical Trust	-	23,625	23,625	-	23,016	23,016
Heritage Lottery fund	-	-	-	-	10,000	10,000
Donations	238	4,002	4,240	899	2,469	3,368
Sub-total for activities and well-being activities	135,238	27,627	162,865	122,566	35,485	158,051
London Borough of Islington:						
Volunteering	46,000	-	46,000	46,000	-	46,000
Fees and other income	-	-	-	-	250	250
Sub-total for capacity building activities	46,000	-	46,000	46,000	250	46,250
Total income from charitable activities	1,594,417	39,627	1,634,044	1,452,943	13,035	1,465,978

3 Income from other trading activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Data management services						
Islington Age Concern Trading Company	7,168	-	7,168	14,961	-	14,961
	7,168	-	7,168	14,961	-	14,961

Age Concern Islington

Notes to the financial statements

For the year ended 31 March 2019

4a Analysis of expenditure (current year)

	Cost of raising funds		Charitable activities					2019 Total £	2018 Total £	
	Fundraising £	Trading £	Information, Advice and Support planning £	Enabling independence £	Activities and Wellbeing £	Capacity building £	Governance costs £			Support costs £
Staff costs (Note 6)	4,472	900	307,126	566,383	160,702	98,240	7,374	27,908	1,173,105	1,137,870
Other staff costs	3,000	-	5,230	81,144	3,508	1,121	94	23,179	117,276	79,892
Volunteer costs	2	-	1,881	577	865	258	16	21	3,620	5,843
Direct activity costs	2	3,182	23,271	10,167	15,800	1,131	8	1,520	55,081	116,808
Welfare payments	-	-	5,243	3,750	-	-	-	-	8,993	13,986
Premises	146	-	30,631	44,939	23,103	5,265	432	1,557	106,073	104,649
Office, communications and equipment	345	13	29,116	49,585	19,404	6,069	449	2,323	107,304	100,719
Depreciation	-	-	661	660	-	-	-	-	1,321	22,240
Compliance, legal etc.	10	107	1,802	3,028	1,026	361	9,733	152	16,219	17,372
	7,977	4,202	404,961	760,233	224,408	112,445	18,106	56,660	1,588,992	1,599,379
Support costs	57	-	14,866	29,634	8,652	3,451	-	(56,660)	-	-
Governance costs	18	-	4,752	9,469	2,765	1,102	(18,106)	-	-	-
Total expenditure 2019	8,052	4,202	424,579	799,336	235,825	116,998	-	-	1,588,992	1,599,379
Total expenditure 2018	16,234	7,085	489,476	685,782	225,920	174,882				

Support and governance costs have been allocated on the basis of staff hours engaged in each charitable activity.

All of the £4,202 trading expenditure was incurred by Islington Age Concern Trading Company Limited, the charity's trading subsidiary (2018: all of the £7,085).

4b Analysis of expenditure (prior year)

	Cost of raising funds		Charitable activities					Support costs £	2018 Total £
	Fundraising £	Trading £	Information, Advice and Support planning £	Enabling independence £	Activities and Wellbeing £	Capacity building £	Governance costs £		
Staff costs (Note 6)	4,428	1,782	313,829	501,498	164,392	116,986	7,304	27,651	1,137,870
Other staff costs	11,236	2,418	3,043	38,045	1,876	2,175	52	21,047	79,892
Volunteer costs	2	-	2,949	524	1,303	968	6	91	5,843
Direct activity costs	10	2,770	65,548	14,139	7,956	24,632	32	1,721	116,808
Welfare payments	-	-	10,386	3,600	-	-	-	-	13,986
Premises	146	-	31,476	39,856	23,052	8,060	451	1,608	104,649
Office, communications and equipment	327	13	28,843	39,164	14,353	14,461	393	3,165	100,719
Depreciation	-	-	11,120	11,120	-	-	-	-	22,240
Compliance, legal etc.	10	102	1,711	2,590	1,096	492	10,978	393	17,372
	16,159	7,085	468,905	650,536	214,028	167,774	19,216	55,676	1,599,379
Support costs	19	-	5,279	9,043	3,051	1,824	(19,216)	-	-
Governance costs	56	-	15,292	26,203	8,841	5,284	-	(55,676)	-
Total expenditure 2018	16,234	7,085	489,476	685,782	225,920	174,882	-	-	1,599,379

5 Net expenditure for the year

This is stated after charging / (crediting):

	2019 £	2018 £
Depreciation	1,321	22,240
Operating lease rentals:		
Property	89,437	88,115
Other	1,479	1,133
Auditors' remuneration (excluding VAT):		
Audit	7,950	7,725
Other services	-	250
	<u>1,321</u>	<u>22,240</u>

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	1,030,230	1,017,733
Redundancy and termination costs	16,482	-
Social security costs	93,100	92,896
Employer's contribution to defined contribution pension schemes	33,293	27,241
	<u>1,173,105</u>	<u>1,137,870</u>
Agency costs	68,559	50,716
	<u>1,241,664</u>	<u>1,188,586</u>

The redundancy and termination costs were settled and paid at the balance sheet date.

The following number of employees received employee benefits (excluding employer pension) during the year between:

	2019 No.	2018 No.
£70,000 – £79,999	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £110,088 (2018: £112,969).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 37 (2018: 39). Agency staff were engaged to provide short-term service provision cover and, in addition, the services of a freelance specialist were used for accountancy support. In previous years the services of freelance specialists were also used for business development and fundraising support.

8 Related party transactions

There were no donations from related parties.

During the year the charity paid for £3,195 of costs on behalf of its subsidiary, Age Concern Trading Company Ltd (2018: £5,950) and charged £900 of costs to the subsidiary (2018: £1,782). The year end balance owed by the subsidiary was £7,061 (2018: £26,782).

9 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Islington Age Concern Trading Company Ltd gift aids available profits to the parent charity.

10 Tangible fixed assets**The group and charity**

	Office equipment £	IT infrastructure £	Fixtures & fittings £	Total £
Cost or valuation				
At the start of the year	1,027	67,546	2,079	70,652
At the end of the year	<u>1,027</u>	<u>67,546</u>	<u>2,079</u>	<u>70,652</u>
Depreciation				
At the start of the year	514	66,481	2,079	69,074
Charge for the year	256	1,065	-	1,321
Eliminated on disposal	-	-	-	-
At the end of the year	<u>770</u>	<u>67,546</u>	<u>2,079</u>	<u>70,395</u>
Net book value				
At the end of the year	<u>257</u>	<u>-</u>	<u>-</u>	<u>257</u>
At the start of the year	<u>513</u>	<u>1,065</u>	<u>-</u>	<u>1,578</u>

All of the above assets are used for charitable purposes.

Age Concern Islington

Notes to the financial statements

For the year ended 31 March 2019

11a Listed investments

	2019 £	2018 £
Fair value at the start of the year	–	–
Additions at cost	100,000	–
Net gain / (loss) on change in fair value	833	–
	<u>100,833</u>	<u>–</u>
Fair value at the end of the year	<u>100,833</u>	<u>–</u>
Historical cost	<u>100,000</u>	<u>–</u>
Investments comprise:		
	2019 £	2018 £
UK Common investment funds	<u>100,833</u>	<u>–</u>
	<u>100,833</u>	<u>–</u>

11b Investments – subsidiary company

The charitable company owns the whole of the issued ordinary share capital of Islington Age Concern Trading Company Limited, a company registered in England, trading under the name Outcomes Plus, Company number 03001195. The subsidiary is used for non-primary purpose trading activities and is registered at 6 – 9 Manor Gardens, London, N7 6LA. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gifted to the charitable company under a deed of covenant. Two of the trustees of Age Concern Islington are also directors of the subsidiary. A summary of the results of the subsidiary is shown below:

	2019 £	2018 £
Turnover	7,168	14,961
Cost of sales	–	–
Gross profit	<u>7,168</u>	<u>14,961</u>
Administrative expenses	(3,302)	(5,303)
Management charge payable to parent undertaking	(900)	(1,782)
Profit on ordinary activities	<u>2,966</u>	<u>7,876</u>
Donation of profits to parent undertaking under deed of covenant	<u>(2,966)</u>	<u>(7,876)</u>
Profit / (loss) for the financial year	<u>–</u>	<u>–</u>
The aggregate of the assets, liabilities and funds was:		
Assets	7,061	31,736
Liabilities	(7,059)	(31,734)
Funds	<u>2</u>	<u>2</u>

12 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2019 £	2018 £
Gross income	1,671,381	1,509,679
Result for the year	<u>86,524</u>	<u>(84,396)</u>

13 Debtors

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	16,673	18,546	15,747	17,333
Owed by trading subsidiary	–	–	7,061	26,782
Grant and contract debtors	41,240	26,829	41,240	26,829
Prepayments	6,643	5,473	6,643	5,473
Accrued income	1,858	971	1,858	971
	<u>66,414</u>	<u>51,819</u>	<u>72,549</u>	<u>77,388</u>

14 Creditors: amounts falling due within one year

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Taxation and social security	24,808	26,806	24,808	26,806
Other creditors	79,389	89,602	79,391	89,604
Accruals	13,052	12,931	13,052	12,931
Deferred income (note 16)	21,496	92,100	21,496	87,146
	<u>138,745</u>	<u>221,439</u>	<u>138,747</u>	<u>216,487</u>

15 Deferred income

Deferred income comprises two partially delivered service contracts.

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Balance at the beginning of the year	92,100	14,326	87,146	14,326
Amount released to income in the year	(92,100)	(14,326)	(87,146)	(14,326)
Amount deferred in the year	21,496	92,100	21,496	87,146
Balance at the end of the year	<u>21,496</u>	<u>92,100</u>	<u>21,496</u>	<u>87,146</u>

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	257	–	257
Investments	100,833	–	–	100,833
Net current assets	330,496	50,000	27,091	407,587
Net assets at 31 March 2019	431,329	50,257	27,091	508,677

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	1,578	–	1,578
Net current assets	370,057	17,915	32,603	420,575
Net assets at 31 March 2018	370,057	19,493	32,603	422,153

17a Movements in funds (current year)

	At 1 April 2018 £	Incoming & gains £	Expenditure & losses £	Transfers £	At 31 March 2019
Restricted funds:					
Carers Hub flexible breaks and palliative care	3,987	12,000	(8,496)	-	7,491
Community activities development	11,508	23,625	(23,321)	-	11,812
Drovers Activity Centre	3,043	4,002	(7,075)	-	(30)
Heritage project	8,369	-	(7,100)	-	1,269
Welfare and Winter Warmth	5,696	5,000	(4,147)	-	6,549
Total restricted funds	32,603	44,627	(50,139)	-	27,091
Unrestricted funds:					
Designated funds:					
Capital equipment depreciation	1,578	-	(1,321)	-	257
Organisational development	17,915	-	-	12,085	30,000
Personalised support – continuation	-	-	-	20,000	20,000
Total designated funds	19,493	-	(1,321)	32,085	50,257
General funds	370,057	1,630,889	(1,537,532)	(32,085)	431,329
Total unrestricted funds	389,550	1,630,889	(1,538,853)	-	481,586
Total funds	422,153	1,675,516	(1,588,992)	-	508,677

17b Movements in funds (prior year)

	At 31 March 2017 £	Incoming & gains £	Expenditure & losses £	Transfers £	At 31 March 2018
Restricted funds:					
Carers Hub flexible breaks and palliative care	36,640	(22,700)	(9,953)	-	3,987
Community activities development	11,213	24,016	(23,721)	-	11,508
Drovers Activity Centre	3,923	1,469	(2,349)	-	3,043
Heritage project	-	10,000	(1,631)	-	8,369
Integration development	6,511	-	(6,511)	-	-
Making contact	15,000	-	(15,000)	-	-
Realising the value	21,890	-	(21,890)	-	-
Senior Citizens' Christmas party	412	-	(412)	-	-
Volunteering	-	250	(250)	-	-
Welfare and Winter Warmth	2,185	7,500	(3,989)	-	5,696
Total restricted funds	97,774	20,535	(85,706)	-	32,603
Unrestricted funds:					
Designated funds:					
Capital equipment depreciation	23,818	-	(22,240)	-	1,578
Organisational development	17,915	-	-	-	17,915
Total designated funds	41,733	-	(22,240)	-	19,493
General funds	367,042	1,494,448	(1,491,433)	-	370,057
Total unrestricted funds	408,775	1,494,448	(1,513,673)	-	389,550
Total funds	506,549	1,514,983	(1,599,379)	-	422,153

Purpose of restricted funds

Carers Hub flexible breaks and palliative care	A fund to provide respite type breaks for unpaid carers of people in Islington. A reimbursement of unspent funds totalling £45,000 (net £22,700) was made to London Borough of Islington (the funder) in 2017-18.
Community activities development	To develop and provide services to help older people set up, run and maintain self-run groups and clubs.
Drovers Activities Centre	To support the activities and services at Drovers Activities Centre.
Heritage project	A grant from the Heritage Lottery Fund for project exploring and recording the industrial and trade heritage of the London Borough of Islington.
Integration Development	To support service integration development in neighbouring areas.
Making contact	A grant from Garfield Weston to develop a proactive telephone wellbeing checking service.

17 Movements in funds (continued)

Realising the value	A grant from London Borough of Islington for project work to identify a shared outcomes framework for Voluntary and Community Organisation service provision.
Senior Citizens' Christmas day party	To hold a Christmas Party targeting some of the most isolated older people in the borough.
Volunteering	A grant from Santander for a volunteers event.
Welfare and Winter Warmth	To provide grants to individuals in great need, to improve their quality of life, when no other source is available. This includes enabling people to keep warm in winter, and to promote the need for older people to keep adequately warm during cold weather.

Purpose of designated funds

Capital equipment depreciation	To cover future depreciation on major equipment items already purchased from unrestricted funds. It does not provide for the future purchase of equipment.
Organisational development	For continued development of the new operating and business model.
Personalised Support – continuation	For continued provision of project work developing personalised approaches to support planning with clients.

Transfers

Transfers were made from general funds to the designated Organisational development and Personal Support – continuation funds to establish balances required for expenditure planned for 2019–20.

18 Analysis of cash and cash equivalents

	At 1 April 2018 £	Cash flows £	At 31 March 2019 £
Cash at bank and in hand	487,606	(110,518)	377,088
Notice deposits (less than three months)	102,589	241	102,830
Total cash and cash equivalents	590,195	(110,277)	479,918

19 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:

	Equipment		Property	
	2019 £	2018 £	2019 £	2018 £
Less than one year	1,594	1,133	90,332	89,437
One to five years	2,914	1,416	63,400	152,209
	4,508	2,549	153,732	241,646

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.