

# Annual Report

## & Financial Statements 2019—2020





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# Introduction from our Chair & Chief Executive

In April 2019, we launched an ambitious three-year Strategic Plan to take Age UK Merton to the next level, building on our strong foundations. Our plan set a clear blueprint for our work aiming to improve the health and wellbeing of older adults in Merton.

It has been an extraordinary year on many levels, most of which has been positive as we have taken great strides forward with the objectives laid out in our plan. However, we produce this report at a time of once-in-a-generation turmoil and uncertainty due to the Covid-19 pandemic. Despite significant challenges, Age UK Merton has been central to the co-ordinated response to the coronavirus outbreak, which has cemented our role as the leading provider of charitable services for older adults in the borough, at a time when we are needed the most.

## Increased demand and complexity

Within the year we are proud to report that our comprehensive services supported over 2,800 older adults, helping them to access high quality advice and practical support, stay connected and keep active. Within our strategic report we will outline our performance against our objectives but it is telling to note that, not only has the number of people we have supported increased, the average number of contacts per client has



increased by 1.5. This gives an indication of the ever growing complexity of need within the older adult population in Merton. This increase in contacts not only takes more resources, it also requires additional knowledge within our staff and volunteer teams to ensure that our clients continue to receive the highest quality support.

## Person-centred model of care

At the heart of all our services is our person-centred Ask Us Anything ethos which positions us as the go-to organisation for older adults, carers and partners across health, care and voluntary sectors. We are ever conscious of our duty to provide preventative services that seek to place our clients in the driving seat, helping them to navigate complex systems, plan for their future and make informed choices about how they live their lives.

We know that our clients value this approach as it helps to empower them to make decisions that are right for them.



### Financial stability

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We are both delighted, and relieved, that our financial recovery plan came to fruition in 2019/20. As our financial statements will testify, Age UK Merton is in a significantly more stable position compared to four years ago, when we saw a 45% reduction in our unrestricted reserves, prompting us to take urgent action to protect our future.

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Within the year, we increased our income by 20%, compared to an 11% increase in expenditure and with careful management of funds, we achieved a 68% increase in our unrestricted reserves.

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With the Covid-19 outbreak bringing huge uncertainty to the sector, these reserves will be essential as we ride the inevitable wave of economic downturn. Given the disproportionate impact of the virus on older people, we know that this financial stability will also help us to target our support where it is needed the most and underpin our local response to the crisis.

### Standing together

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With the trauma and uncertainty brought by Covid-19, we are reassured by the impassioned and professional response of our staff and volunteers, and the stoicism of our clients in the face of great adversity.

Throughout the year, we worked hard to build experience and skills within our staff team, implementing a new management structure and promoting talented people to new positions. This has helped us to increase the quality of our services and improve processes within the organisation, which, in turn, have allowed us to respond quickly and effectively.

We have also been overwhelmed by the surge in volunteering, as people from across the community have approached us to see how they can help those most in need.

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At the peak of the crisis we were deploying over 240 local volunteers to provide practical and emotional support for older people affected by Covid-19.

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This represents a 92% increase in our normal volunteering numbers and we hope that many of the people who have joined the fight against Covid-19 will stay with us to combat the inevitable longer-term impact.

We have worked hard over the year to foster strong relationships with partners across health, care and voluntary sectors, which have enabled us to react with speed, clarity and impact in the face of the biggest crisis of our times. It has been a privilege to serve alongside a range of organisations who share our values.



## Looking to the future

The priorities within our strategy do not change significantly as a result of Covid-19 but our services will have to adapt to the ‘new normal’ we are all facing. We also know that the indirect impact of coronavirus on older adults will be far reaching and profound, making our support ever more essential.

As we move forward, teamwork, effective communication and partnership working remain high on the agenda as we seek to meet the emerging needs of older adults in Merton. We know that the coming months and years may be challenging but we are prepared to do whatever it takes help older people access high quality advice and practical support, stay connected and keep active.

We pay tribute to all those who have worked with and supported us over the last year, particularly our staff, volunteers and clients whose positivity, dedication and resolve give us hope and motivation to continue our mission.



**Rob Clarke**, Chief Executive



**Clare Gummett**, Chair



# Strategic Report 2019—2020

Age UK Merton is an independent Charity operating within the national Age UK network to provide services for older adults in the London Borough of Merton. Our role is to ensure that older adults can easily access the advice, support and care they need as they get older.

## Our Mission

is to make Merton a great place to grow old

## Our Vision

A borough where everyone can love later life

## Our priorities

We are passionate about making a difference to the lives of older people in Merton. Our Strategic Plan outlines our three key priorities to improve health and wellbeing by:



Providing high-quality advice and practical support



Building social connection



Creating opportunities for lifelong active ageing



## Our values

We want to be known for:

### Accessibility

The go-to place for people to ask us anything about later life

### Collaboration

Working with partners across sectors to get the best outcomes for Merton's older adults

### Dynamism

An organisation prepared to innovate, take risks and provide solutions

### Impact

Empowering people and organisations to make a positive, tangible difference

### Integrity

Robust privacy and confidentiality procedures — trusted staff and volunteers

### Kindness

A supportive, empathic place to work, volunteer or receive support

### Quality

Providing accredited, person-centred services, respected throughout the borough

### Sustainability

Able to attract funding, generate income from diverse sources and maximise resources efficiently







## Our delivery plan

To deliver against these priorities Age UK Merton will develop strong operational building blocks to create the right environment, internally and externally, for us to ensure our services are high quality and high impact and to influence policy.



# Building blocks

## Influence

- Supporting behaviour change in clients
- Informing and advising policy makers and commissioners
- Representing Age UK Merton on strategic & delivery boards
- Raising the profile of ageing well within community

## Sustainability

- Strong, positive, supportive organisational culture
- Clear demonstration of impact
- Diverse income strategy
- Efficient use of resources
- Intelligent use of technology solutions

## People

- Methodical and considered recruitment processes
- Listening to clients, volunteers, staff and partners to make informed decisions
- Implementing high quality learning and development programme for staff and volunteers
- Supporting staff & volunteer wellbeing

## Processes

- Maintaining high quality organisational policies and procedures through Age UK Quality Standards & Advice Quality Standard
- Clear referral pathways internally and with partners
- Compliant finance & governance
- Strong impact measurement processes

## Our impact

During 2019—20, we have made significant progress against all the objectives within our plan. This Strategic Report cannot capture every detail but serves to provide a powerful reflection on our impact over the last year.

### Providing high quality advice and practical support

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#### Increased access to advice, improved impact

Over the year 1,190 older adults accessed our advice services, an increase of 15% compared to the prior year. Geographically our reach has extended further across the borough and the quality of our longer-term case work, which now represents 10% of our total output, has improved, as we seek to unpick a range of complex issues our clients are facing.

Most illuminating is that the total number of contacts with clients has increased by 34% over the last 12 months, a trend which has been highlighted across all Age UK Merton services.

Within our benefits work, we were able to deliver £397,706 previously unclaimed benefits throughout the year. This represented a 10% increase on the prior year and will help to empower older people to have more choice, control and independence.

#### Increased the number of older adults receiving support at home to stay independent

Our At Home service grew in reach and scale over the year supporting 236 older people to stay independent in their homes. The service also delivered an additional 100 hours practical support per week for older adults across the borough compared to the previous year. The service provides a lifeline for older adults living with multiple long-term conditions by helping them to maintain their domestic environment, improving home safety and providing regular social connection.

SUPPORT





“This service has changed my life.  
My home is always lovely and clean now,  
I feel safe and I’m able to manage on my own  
with this support. It’s so comforting knowing  
there is someone there for me.”

## ADVICE

**1,190 people  
accessing  
advice  
on prior year**

**15% increase** in people accessing advice



**10% of clients** receiving longer term casework



**34% increase** in total contacts



**69% reported** improved social connection



**59% reported** reduced anxiety about money

## BENEFITS

**10% increase  
in benefits  
uptake  
on prior year**

2019

2020

**£397,706**



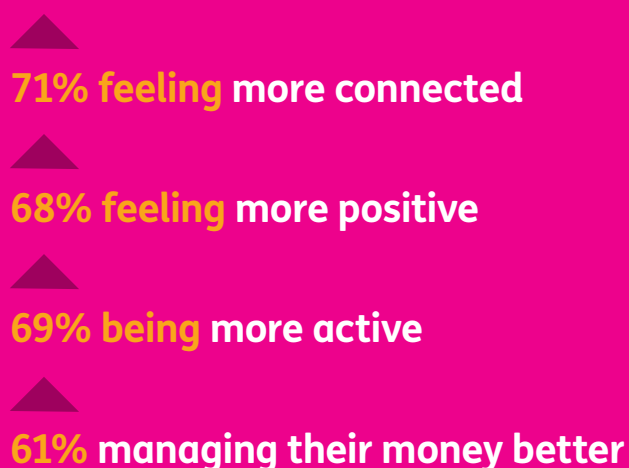
## Improved navigation across the organisation and throughout Merton

All of our services seek to connect older people to the support they need, whether internally to different Age UK Merton departments or externally to partner organisations across the borough. None more so than our Living Well Service, which delivers person-centred assessment and action planning to help older people improve their overall health and wellbeing.

The service works closely with clients to understand what is important to them, what barriers they face and then builds an action plan with the individual to help them to stay connected, active and independent. During the year, 265 older adults received support being connected to the most appropriate services to meet their needs resulting in a total of 430 onward referrals.

Our person-centred approach delivers tangible outcomes with 71% of clients feeling more connected to their community, 68% feeling more positive, 69% being more active and 61% feeling that they are managing their money better as a result of the service.

### NAVIGATION



## JACQUELINE'S STORY

**J**acqueline is 80 year's old and lives alone in a small one-bedroomed flat. She was referred to our Living Well service by the Adult Social Care Learning Disability team.

In February she was diagnosed with breast cancer, in addition to her existing diagnosis of chronic obstructive pulmonary disease (COPD) and mobility issues which require her to spend most of the time in a wheelchair. Jacqueline also has a mild learning disability, which means she finds it difficult to understand paperwork.

As a result of her health issues and low confidence, Jacqueline has been housebound for six years and told us that she rarely leaves the property on her own. Sadly, Jacqueline's daughter, who had helped her mum to get out and about, passed away the previous year, leaving Jacqueline bereaved and isolated.

We visited her at her home to assess her needs and understand what support would benefit her. We identified that Jacqueline had issues with managing her bills and paperwork. She had accrued some debts through late payments such as telephone and water bills.

We connected her to our Information & Advice team to help her manage her finances better and check whether she was entitled to any benefits to help her pay for her bills. Our Adviser, Dominic, made contact with Thames Water to explain Jacqueline's issues and they managed to get her a refund. They also helped her to unpick some complicated care charges and final demand letters, which have now been completely resolved.

On top of this, it was clear that Jacqueline was also extremely isolated. After talking through her options, Jacqueline expressed an interest in attending our activity centre but was very anxious as she had not left the house in some time and was nervous about meeting new people.

Our Living Well Co-ordinator Emma suggested that Jacqueline attend the centre for lunch one day and to try our Rhythm & Movement chair exercise class. To help alleviate some of her anxiety, Emma agreed to collect her from the flat in her wheelchair and bring her to the centre for her first visit.

Emma introduced Jacqueline to our friendly team, who in turn introduced her to other clients who were attending the centre that day. After a hearty lunch and exercise class, Jacqueline told us that she was tired but delighted that she had taken the brave step to leave her home and join the activities.

Since that point, we made sure that she would come again and registered her with Transport for London's Dial-a-Ride scheme and as a result she has been attending weekly.

Where at first she was quite quiet and reserved she is now the 'life & soul' of the Rhythm & Movement class. She has made friends with another lady who lives nearby and they have just exchanged numbers to be in contact more regularly.

With a new lease of life Jacqueline is now working with Emma to research mobility scooters to give her even more independence and we have arranged for a mobility assessment with the Queen Elizabeth Foundation.







## Building social connection

### Increased reach to Merton's most isolated older adults

Our Befriending service grew significantly during the year, reaching out to isolated older adults living with multiple long-term health conditions. The service matches older adults with volunteers, based on shared interests, backgrounds and life experience. Volunteers visit clients weekly, in their homes, with a particular focus on stimulating physical activity through walks and exercise and cognition through games and reminiscence. Feedback from both sides throughout the year demonstrates the mutually beneficial relationship.

During the year we matched 85 new clients with volunteers, with clients from BAME backgrounds representing 31%.

At year end we had over 140 active matches and have been able to adjust quickly to the lockdown environment to convert our matches to more regular telephone befriending. Whilst we do not believe that the impact of telephone befriending is as powerful as meeting face to face, we recognise that a regular call from a familiar voice is a lifeline for our clients who are often housebound and isolated.

During the year 82% reported feeling less lonely as a result of their match, 64% indicating improved confidence, and 34% reported that they were more physically active. Client feedback also indicates that 97% felt the volunteer was the right match, which is testament to the efforts we make the matches.

## BEFRIENDING

85 new matches

140 active matches **at year-end**

31% clients from BAME backgrounds

**97% felt** their volunteer was the right match

82% reported feeling less lonely

64% improved confidence

34% more physically active



### KINGSTON'S STORY

**K**ingston is a 66-year-old former Naval Officer from the Windrush generation. In 2009, he experienced a major stroke which has seriously affected his mobility. He is mostly able to look after himself but finds it difficult to cook, clean and get out and about. He relies heavily on his wife who works full time, so he spends a lot of time indoors and alone.

Kingston reported that this isolation was making him feel very lonely and depressed but he did not want to be a burden on his family who already offer him a lot of support.

We matched Kingston with Noel, who was visiting him once a week before Covid-19. This had significantly improved Kingston's wellbeing as he had someone to talk to and share a joke with, which gives him something to look forward to.

Throughout lockdown, Noel started to call Kingston a few times a week to check in and make sure he was coping. Kingston was grateful for the extra contact and called in to tell us that he thought Noel was wonderful. He has a supportive family but feels he is less of a burden to them. Despite his challenges, Kingston is feeling more positive and connected as a result.



### Improved diversity increasing the number of clients supported from BAME and LGBT+ communities

Over the year, we have worked closely with partners across health, care and voluntary sectors to increase our reach and improve the diversity of our client base.

We have been proactive about engaging Merton LGBT+ Forum to identify activities which would appeal to older LGBT+ adults. As a result we launched Merton Silver Rainbows in May with an afternoon tea and discussion session with over 35 older people from the LGBT+ community.

We also presented our service offer to a number of BAME groups to highlight how our services could help older people within their communities. In addition, based on feedback from these groups and BAME Voice, we adapted some events within our activity centre to be more culturally sensitive and appealing to older adults from BAME communities. Across the organisation, the number of clients accessing our services from BAME communities increased by 4% throughout the year.

We are keen to progress this work further in the coming year to better reflect Merton's diverse population.

**LGBT+**

35 older LGBT+ people  
attending afternoon tea and focus group

**BAME**

4% increase in clients from BAME  
backgrounds compared to previous year

DIVERSITY



## Creating opportunities for lifelong active ageing

### Increased the number of clients accessing regular physical activity programmes

In 2018, we were commissioned to deliver a major piece of research reviewing Merton's falls prevention strategy and assessing older adults' attitudes and barriers to physical activity. We also held focus groups with communities less likely to be physically active including BAME communities, people with disabilities and those from lower socio-economic backgrounds. As a result of this research we transformed our programme of activities to provide much wider choice and activities which older people identified. This included a new aqua aerobics session, a seated wellbeing and movement session and a vigorous aerobics session set to music.

As a result of these changes, the total number of people accessing our physical activity programme increased by 18% on the prior year. We also sought to improve social connections within sessions to encourage longer-term participation and behaviour change, which resulted in a 23% increase in the number of new clients attending 5 or more sessions. The number of people from BAME communities accessing this programme also increased by 5%, with people with disabilities increasing by 9% which indicates the broader appeal of our programme to people less likely to be active.

## ACTIVE AGEING

**128 older adults attending active ageing programme**

**23%**  
23% increase in new, regular attendees

**18% increase on prior year**

**5% increase in BAME clients**

**7% increase in total attendances**

**9% increase in clients with disabilities**

## People

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### **Increased the number of volunteers and improved volunteering experience**


During the year we restructured our volunteering department to increase capacity and invest more resource into our volunteering journey. In doing so we sought to leverage the strong Age UK brand locally to increase the number and quality of our volunteers.

These plans were firmly underway and proving effective when Covid-19 started. Rather than disrupting this work, we were able to adapt our recruitment and induction pathways to mobilise large numbers of new volunteers to provide practical and emotional support for older adults affected by Covid-19. By mid-April our volunteer numbers had increased by 92%. While some volunteers were keen to provide short-term support, many have continued to volunteer and support older adults in Merton beyond the immediate peak of the crisis.

Feedback from these volunteers has been highly positive about their volunteering experience, indicating that our decision to invest in our volunteer journey was correct.







‘A borough where  
**everyone** can **love**  
later life.’





### NOEL'S STORY

**N**oel is one of our befriending volunteers who has been supporting some of Merton's most isolated and vulnerable older adults for two years.

Noel is currently matched with a couple of older adults in the borough and has built excellent relationships with them. His inspiration for volunteering was based on his own experience of isolation / loneliness.

Even though Noel has a loving family, he was feeling a bit lonely himself and wanted to use his spare time to help someone else. He has found this very rewarding, especially seeing the impact he has on the people he supports.

"I've learnt so much whilst volunteering. The strength and power of human connection and that people need comfort and interaction.

I'm pleased to be part of their journey. It's an honour to be invited into someone's home and for them to share details of their life with me. I would recommend becoming a befriender, it's an eye opener and you can see the joy you bring."



## Influence

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### Increased representation of older adults on strategic boards

Within the year Age UK Merton's role as an influencer within the wider health and care system has increased significantly. Our Chief Executive now Chairs the Merton Health & Social Care Forum, which also gives membership to the influential Health and Wellbeing Board. In addition, Age UK Merton is now represented within the Adult Safeguarding structures within the borough with membership of the Adult Safeguarding Board Performance & Quality Sub-Group. We are also represented on the Age Well Sub-Group of the Merton Health & Care Together Board.

Over the coming year we will be seeking to grow our representation further by seeking membership of other key stakeholder groups to ensure that the voice of older people is front and centre, particularly with the impact of Covid-19.

### Delivering more services partnership

Age UK Merton is committed to working collaboratively with partners across the health and care system to improve outcomes for older adults. During the year we have continued to deliver the Merton Befriending Service in partnership with Wimbledon Guild, launched a new Carers Befriending Service in partnership with Carers Support Merton and since year-end we have delivered the Merton Covid-19 Community Response Hub in partnership with Merton Voluntary Service Council and Wimbledon Guild.

As we look to the future we recognise the need to continue this collaborative approach to maximise resources and strengths for the greater benefit of older adults across Merton.

## Processes

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### Improved impact monitoring processes

In April we launched our Strategic Plan, alongside which sits our Older Person's Assessment tool, which enables us to track changes in the health and wellbeing of our clients across five key areas. We also redesigned our Balanced Scorecard to enable our Trustees to review our performance against our objectives with greater clarity.

# Financial Review

Improved financial stability by increasing income, stabilising reserves and retaining control over expenditure

Age UK Merton has undergone a significant transformation over the last five years, diversifying income, rebuilding depleted reserves and maintaining control of costs. The year 2019/20 marked the culmination of a five year recovery plan following a near devastating financial performance in 2015/16. The total income for the year increased by 20% to £784,165 compared to the previous year (£652,706). This performance was driven by a rise in our unrestricted from donations and legacies and At Home services, in addition to new funding for Information & Advice. Unrestricted income increased by 22% on the previous year (£389,873) to £475,228. Restricted income generated in the year also increased by 18% to £308,937, compared to the previous year (£262,833). This was largely down to new funding for Information & Advice, Love Later Life and Befriending services.

Total expenditure for the year was £685,574 (2019: £615,742), an increase of 11% on previous year, as the Charity has taken on new staff to deliver new services aligned to our strategic plan.

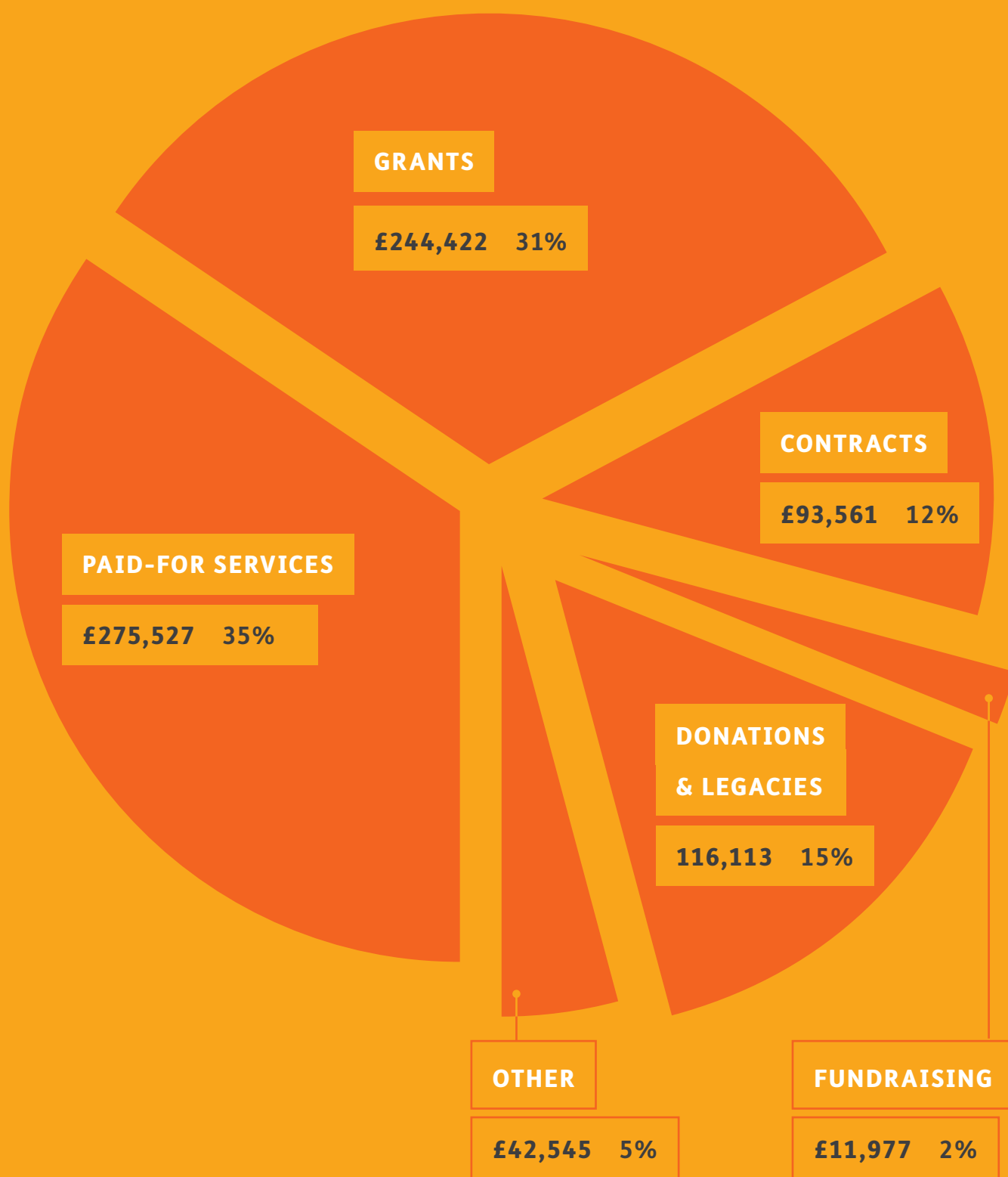
The Charity has retained its clear focus on Public Benefit, delivering charitable services and spending minimal funds on raising money. Our expenditure on charitable activities increased 13% to £682,594 (2019: £604,789) Our fundraising costs decreased compared to the previous year as we changed our strategy from community fundraising, which was not yielding sufficient return on investment to more targeted grants fundraising, which has delivered a much greater return.

Overall the results show an operating surplus of £98,591 (2019: £36,964) before unrealised losses on investments of £795. (2019: unrealised gain £1,788)

Overall, the Trustees are delighted with the financial performance for the year but remain cautious with ongoing volatility in the Charity sector, the impact of Covid-19 and potential impact on our paid-for services. Despite this caution, Age UK Merton has been central to the Covid-19 response and the increase in unrestricted reserves provides some comfort as the Charity navigates a challenging period ahead.



## INCOME SOURCES



### Principal funding sources

The Charity's income structure is relatively balanced between various types of funding sources. The Trustees are keen to ensure that no single source of income creates an unhealthy reliance leaving the Charity at risk. In particular, the Trustees have overseen a major programme of income generation from paid for services, which now represent 46% of the Charity's income, spread across large numbers of clients who use these services. During the year, the Charity continued to increase income from these sources, whilst also targeting income from Trusts & Foundations, to complement secure funding from the London Borough of Merton. The charity was also grateful to receive a number of legacies during the year from clients who sadly passed away. The Trustees are reassured to know that clients think so highly of the Charity's services to make bequests within their Will. This is both testament to the generosity of these clients and the quality of the person-centred services we provide. A full list of grants received is set out later in this report. We are grateful to all of our funders for their support.

### Balance Sheet

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Total reserves at year-end were £347,788 (2019: £249,992), of which £293,990 (2019: £175,366) is unrestricted. The restricted reserves were £53,798 (£2019: £74,626) and will be applied to fund agreed activities in accordance with the funders' criteria.

The Trustees want to acknowledge the hard work of all concerned in realising this achievement. We will continue to invest in our people, processes and new technology to deliver our services more efficiently and effectively and in the way our clients need them.

An analysis of the funds can be found in note 19, with the movements within each fund detailed in note 20. The Finance Committee continues to support the implementation of the Charity's strategy, including delivery of the fundraising strategy.

### Five-year review

As outlined above the financial year in review marks a significant milestone in the Charity's recovery from 2016, which saw a 46% reduction in unrestricted reserves, a repeat of which would have seen the Charity cease operation. Compared to 2016, the Charity has successfully increased income by 49% from £526,278 to £784,165 built upon income diversification, strong partnerships and a focus on high quality service delivery, which has resulted in significant investment. Alongside this focus on quality, the Charity has maintained a stable cost base balancing performance with efficiency. In comparison expenditure has increased by just 13% from £605,326 to £685,574 over the same period.

Most reassuring for Trustees is the growth in unrestricted reserves over the last five years, which have increased by 118% from £135,149 to £293,990 providing stability and an opportunity to invest in key areas in order to deliver against the Strategic Plan.

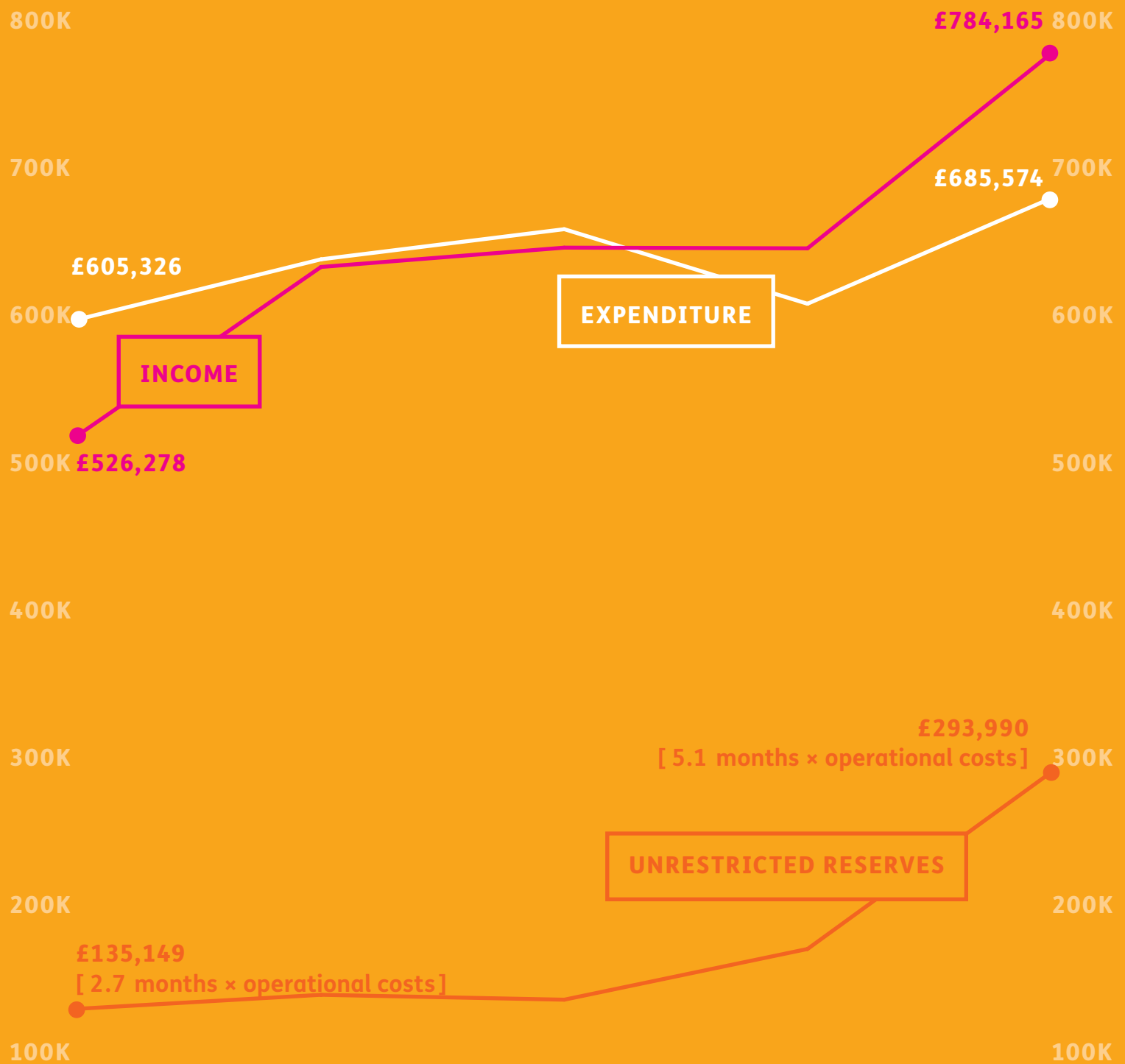
### Reserves Policy

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The Finance Committee conducts a three-monthly review of the level of unrestricted reserves by considering risks associated with various income streams, expenditure plans and balance sheet items. Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are grants or donations which the donor has specified are to be used solely for specific activities or projects



## FIVE-YEAR REVIEW 2016—2020



undertaken by the Charity. Reserves are needed to bridge the funding gap between spending on providing services and receiving resources through fundraising.

The review enables the Committee to determine whether the level of reserves is sufficient to

- allow time for reorganisation of Age UK Merton's work in the event of a downturn in income or asset values
- protect ongoing work programmes
- allow the Charity to meet its objectives.

The Committee has considered the Charity Commission's guidance, *Charity Reserves: Building Resilience* (January 2016), in undertaking this review. The risks and issues considered include:

- Level of dependence on any one source of income
- Likelihood of a downturn in any of the various income streams
- Period of time required to re-establish income streams
- Period of time required to downsize or reorganise the Charity operations
- Potential decrease in the value of the investments
- Requirements for a reasonable level of working capital.

At 31 March 2020, the level of unrestricted reserves was £294K (£175K in 2018/19) which equates to approximately 5.1 months of operating expenditure. This level of reserves is considered sufficient given the forecast financial position for 2019/20.

Age UK Merton's policy is to estimate the

closedown costs for the Charity (comprising contracts, redundancies and legal costs) and to ringfence these within unrestricted reserves. At 31 March 2020 these were estimated at £40K which leaves £254K available to invest in new initiatives and explore potential development opportunities aimed at satisfying charitable objectives.

Use of unrestricted reserves requires approval by the Board on the recommendation of the Finance Committee.

Unrestricted reserves are reviewed as a standing item within each meeting of the Finance Committee and the reserves policy should be approved by the Board of Trustees on an annual basis.

### Investment Policy and Objectives

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Aside from retaining a prudent amount in reserves each year, the Trustees conduct a review of the investment policy for Age UK Merton on an annual basis.

The Charity's investment policy is to maintain sufficient cash levels in a bank current/deposit account in order to meet the short-term liquidity needs of the organisation with any surplus amount being invested with specialist charity investment managers. Age UK Merton pursues and overall investment objective of a good level of income distributions and sound long-term capital growth. Currently, these excess funds are invested within the COIF (Charity Offices Investment Fund) Charities Fund range of CCLA Fund Managers Limited. CCLA is a leading ethical investor, and is authorised and regulated by the Financial Conduct Authority (FCA)



## Risk Management

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The Trustees have overall responsibility for ensuring the Charity has the most appropriate and effective control systems to safeguard the organisation and any of its assets. These controls protect the organisation against fraud and other irregularities. This role and the associated practices offer reassurance that:

- The Charity's assets are safeguarded against unauthorised use or disposition
- Proper and reliable financial records are maintained
- The Charity complies with all relevant legislation and regulations.

The Charity implemented a new risk register within the year to allow Trustees to assess risk, existing controls and mitigations and residual risk, which allows them to identify further actions to reduce risk further. Risks are categorised by the following headings; Compliance, Governance, Finance, Operations and External.

The Trustees view the risks faced by Age UK Merton to be fairly typical for a local charity delivering services for older adults. However, the risk register is updated frequently with emerging risks discussed by the Trustees to ensure that the overall risk profile of the Charity is kept within reasonable limits.

The organisation's policies and procedures continue to be reviewed on a regular basis. The Board works closely with the senior staff to address risk within the organisation. This is in addition to support around financial controls from our Independent Examiner.

Operational and Compliance risks are minimised by the implementation of appropriate policies and procedures, as well as, softer mitigations such as staff welfare

and emotional support. Insurance policies are in place to cover public liability, premises and contents, professional indemnity, vehicles, drivers and volunteers.

As is the case with many other charities in the sector, one of the principle risks identified by the Trustees relates to Finances, including competition for funding in an environment where our clients' needs are increasing and resources are decreasing. To mitigate this, Trustees and senior management team are working to ensure we offer excellent services and value for money. We are seeking to demonstrate the quality and impact of our services to reassure funders and partners that resources are used efficiently for the best impact on our beneficiaries. The Trustees have also sought to diversify the organisation's income to improve long-term sustainability, though the uncertainty around Covid-19 puts income from client fees under significant pressure the longer we have to adjust some of our services.

Other principle risks relate to external factors including negative publicity and the impact of Brexit. These risks are monitored and managed by the governance and finance committees respectively, as well as the management team.

# Board structure and Governance

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees Report, together with the unaudited financial statements for the year ending 31 March 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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).

## Principal Activity

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The charitable company's principal activity for the year, which is ultimately the objects set out in the Articles of Association was to promote the relief of elderly people in any manner which now or hereafter may be deemed by law to be charitable in and around the London Borough of Merton.

## Governing Document

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Age UK Merton is a company limited by guarantee governed by its Articles of Association, which were adopted in 2004, revised in 2012 and a further change in November 2015 to amend Section 21 regarding the composition of the Board of Trustees. The geographical scope of the organisation's work encompasses the entire London Borough of Merton. The Charity was originally founded in 1961 and was registered as an unincorporated charity with the Charity Commission 30 August 1961. The Charity incorporated 7 July 2004.

Age UK Merton is an independent Charity, responsible for its own policy, direction and funding. Age UK Merton is also a member of Age England Association.

## Public Benefit

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The Trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. We believe that we have complied with this; and seek to demonstrate this within this report. Our objects and funding limit the



services we provide to those detailed in our charitable objectives.

The Aims of the Charity are to promote the relief of elderly people in any manner, which now and hereafter may be deemed by law to be charitable in and around the London Borough of Merton.

## Trustees

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All Trustees give their time voluntarily and receive no benefits from the Charity apart from reimbursed expenses set out in note 11 in the accounts. The Board of Trustees meets every two months and is responsible for governing the affairs of Age UK Merton. The Board agrees the strategic direction to ensure the organisation fulfils its objectives. It takes overall responsibility for ensuring that the financial, legal and contractual obligations of the Charity are met and that there are satisfactory systems and controls in place. The Board receives regular reports from the Finance Committee, who oversee the finances of the organisation and Governance Committee, who oversee the development and monitoring of the strategy. The Chief Executive Officer attends all Board meetings and sub-committee meetings.

The Trustees serving during the year and to the date of this report were as follows:

**Clare Gummatt, Chair**

**Stephen Atkins, Honorary Financial Advisor**

**Eileen Nutting, Company Secretary**

**Dr Hannah Behrendt,**

Appointed — 21 November 2019

**Geraldine Kirby**

**Eric Kwan,**

Appointed — 18 March 2020

**Altaf Moledina,**

Appointed — 21 November 2019

**Jennifer Pattison,**

Appointed — 21 November 2019

**Barbara Price**

**Shuile Syeda**

**Gerald Willabus**

## Appointment of new Trustees

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As set out in the Articles of Association, Trustees are elected at the Annual General Meeting (AGM) and may serve a term of three years after which they may be re-elected for a further three years. There must be at least three Charity Trustees. If the number falls below this minimum, the remaining Trustee or Trustees may act only to call a meeting of the Charity Trustees, or appoint a new Trustee. The person elected Chair may serve for six consecutive years. The Board can co-opt members during the year to ensure that the Board has a broad range of skills and experience and to facilitate Trustee succession.

## Trustee recruitment and induction

Trustees are recruited through advertisement, professional, personal and member contacts. We aim to recruit local people or people whose skills the Board have identified as needed. The Trustees endeavour to ensure there is a balance of skills, gender, age, ethnicity, disability, sexual orientation, culture, politics or religious belief which reflects the diversity of our community and best represents older adults in Merton.

New Trustees are given an induction pack and training to brief them on their legal obligations under the Charity and company law, the Charity Commission guidance on public benefit and inform them of the content of

the Articles of Association. Further training is offered on a regular basis to all Board members and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

### **Related parties and co-operation with other organisations**

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None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or Senior Manager of the Charity with service user, external contractor, staff member or supplier of services must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

All related party transactions are managed in accordance with the Charity's conflicts of interest policy. Any related party transactions were reported in note 13 of the accounts.





# People

## Management

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Day-to-day management and decision making of the Charity is delegated to the Chief Executive Officer who works closely with senior and other staff to deliver the Charity's strategic objectives. The Chief Executive Officer reports to the Chair and the Board.

During the year the Charity adjusted its management structures to enable more effective operational delivery. This involved promoting a number of talented existing staff into management positions, which has provided them with career development and allowed the Charity to benefit from their energy and skills.

### MANAGEMENT TEAM

#### **Rob Clarke**

Chief Executive Officer

#### **Caroline Muldoon**

Activity Centre Manager

#### **Jo Hulton**

Ask Us Anything I & A Manager

#### **Natalie Tempero**

At Home Services Manager

#### **Saema Man**

Finance Manager

#### **Lynne Mitchell**

Living Well Manager

#### **Rhiannon Larkman**

Operations Manager

#### **Kourtney Rodda**

Volunteering Manager

– from December 2019

## Pay policy for Management Team

The Charity established a new pay structure in April 2019 to better reflect the responsibilities of each role. Trustees benchmarked pay against similarly sized organisations, both locally and across the wider Age UK network. Pay is now banded into five levels with a lower and upper limit, which is dictated by a number of factors relating to responsibility and experience. The pay of the senior staff, and indeed all staff, is usually reviewed annually and normally increased in accordance with average earnings.

## Recruitment

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The Charity is committed to recruiting talented, dedicated people who share our values and represent the diversity of both Merton and its older adult population. We are actively seeking to recruit candidates who will increase the diversity of our team. All candidates are assessed and recruited following our Recruitment Policy.

## Training

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Training for our staff and volunteers is a critical aspect of our Strategic Plan. The Charity has developed an annual training which reflects a continuing commitment by the Board to enhance Trustee, staff and volunteers' skills and personal development. Training is a separate budgetary heading allowing the Board and Chief Executive to align the training plan and financial resources required in the financial planning cycle. The Charity offers core online training for all new

starters, which enables all staff to hold a Care Certificate. In addition, role specific training based on individual's development needs is offered throughout the year and following appraisal.

During the year the Charity sought to adjust its training practices by identifying a number of 'train the trainer' courses for managers, to enable professional development and bring core training modules in-house. The expectation is that this will reduce costs whilst improving the agility and quality of training we can offer our people. We are seeking to develop core modules on safeguarding, lone working, manual handling, first aid and wheelchair safety.

### **Volunteers**

Age UK Merton is grateful to all its volunteers, without whom many of our services for older adults across the borough would not exist. They play a key role in ensuring the quality and reach of our services. Our volunteers are supported and overseen by our experienced volunteering team and are managed in accordance with our Volunteering policy.

Over the year, our volunteers have provided remarkable support in every aspect of our activities, from working one to one with our clients to providing administrative support for our staff. We provide a range of volunteering opportunities, each with clear role descriptions to enable volunteers to contribute effectively according to their skills and interests. Volunteers are recruited on a rolling basis, within a well-defined journey. We have a clear recruitment and selection process; all volunteers are interviewed, references taken up and for certain placements Disclosure and Barring Service checks are carried out. All volunteers are then matched to distinct roles, with appropriate induction, ongoing support and training.

Volunteers, in their diversity of age, experience, cultural background and their involvement within communities, bring to our work a value that adds to our understanding of and response to older people's needs. Our diverse range of volunteers have a variety of interests and reasons for wanting to support the Charity — from gaining experience at the start of their careers to using their wealth of experience and knowledge to meeting the needs of our communities.

### **Funds held as custodians for others**

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When we established the Handyperson Service we were approached by the Metropolitan Police Service to oversee this fund, which provides target hardening and security equipment to people whose homes have been surveyed by the Crime Prevention Officer (CPO), and who in the CPO's opinion would benefit from improved home security. We co-ordinate this fund and undertake the administrative functions. The Trustees (who are also the directors of Age UK Merton 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).



# Statement of Trustees' Responsibilities

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP (FRS102);
- make judgments 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 charitable company will continue in business.

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

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

## Small Company

This Trustees report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

## On behalf of the Board:



**Clare Gummett** (Chair) – Trustee  
14 September 2020

# Independent Examiner's Report

I report to the Charity's Trustees on my examination of the accounts of the charitable company for the year ended 31 March 2020, which are set out on pages 36 to 57.

## Respective and basis of report

As the Charity's Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

## Independent examiner's report

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those accounting records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

*AK Accounting Solutions*

### Andrea L Kibble FCCA

A K Accounting Solutions Limited  
Chartered Certified Accountants  
Minster House  
126a High Street, Whitton  
Twickenham  
Middlesex TW2 7LL

14 September 2020

# Financial Statements

Statement of Financial Activities (Incorporating an income and expenditure account) for the year ended 31 March 2020

		Unrestricted Funds £	Restricted Funds £	2020 total Funds £	2019 total Funds £
<b>INCOME FROM:</b>	<b>Notes</b>				
<b>Donations and legacies</b>	<b>2</b>	116,093	40	116,133	42,310
<b>Income from charitable activities</b>	<b>4</b>				
At Home with Age UK Merton		224,521	—	224,521	207,019
Health Programmes		—	101,575	101,575	101,686
Information and Advice		15,000	127,704	142,704	118,662
Love Later Life		78,506	17,547	96,053	107,580
Overheads		27,290	—	27,290	18,297
Volunteers and Befriending		—	62,071	62,071	50,000
<b>Other trading activities</b>					
Fundraising		11,977	—	11,977	5,623
<b>Investments</b>	<b>3</b>	1,841	—	1,841	1,529
<b>Total Income</b>		<b>475,228</b>	<b>308,937</b>	<b>784,165</b>	<b>652,706</b>



<b>EXPENDITURE ON:</b>		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2020 total Funds</b>	<b>2019 total Funds</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Raising funds</b>	<b>5</b>	2,980	—	2,980	10,953
<b>Charitable activities:</b>	<b>6</b>				
At Home with Age UK Merton		228,419	1,900	230,319	214,692
Grants to Individuals		—	81	81	—
Health Programmes		—	107,690	107,690	86,357
Information and Advice		15,000	132,364	147,364	117,840
Love Later Life		77,519	40,096	117,615	113,194
Overheads		31,891	—	31,891	26,477
Volunteering and Befriending		—	47,634	47,634	46,229
<b>Total Expenditure</b>		<b>355,809</b>	<b>329,765</b>	<b>685,574</b>	<b>615,742</b>
<b>Operating Surplus</b>		119,419	(20,828)	98,591	36,964
<b>Net (losses) / gains on unrealised investments</b>		(795)	—	(795)	1,788
<b>NET INCOME</b>		<b>118,624</b>	<b>(20,828)</b>	<b>97,796</b>	<b>38,752</b>
<b>Transfers between funds</b>	<b>20</b>	—	—	—	—
<b>NET MOVEMENT IN FUNDS</b>		118,624	(20,828)	97,796	38,752
<b>RECONCILIATION OF FUNDS</b>	<b>20</b>				
<b>TOTAL FUNDS BROUGHT FORWARD</b>		175,366	74,626	249,992	211,240
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>293,990</b>	<b>53,798</b>	<b>347,788</b>	<b>249,992</b>

### Continuing operations

All income and expenditure is derived from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

## Balance Sheet at 31 March 2020

	Notes	2020 £	2019 £
<b>Fixed Assets</b>			
Tangible Assets	<b>15</b>	—	—
Investments	<b>16</b>	24,427	25,222
		<hr/> 24,427	<hr/> 25,222
<b>Current Assets</b>			
Debtors: amounts falling due within one year	<b>17</b>	58,753	28,394
Cash at bank		354,197	294,140
		<hr/> 412,950	<hr/> 322,534
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	<b>18</b>	(89,589)	(97,764)
<b>NET CURRENT ASSETS</b>		<hr/> 323,361	<hr/> 224,770
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/> 347,788	<hr/> 249,992
<b>NET ASSETS</b>		<hr/> <b>347,788</b>	<hr/> <b>249,992</b>
<b>TOTAL FUNDS OF THE CHARITY</b>	<b>20</b>		
Unrestricted funds		293,990	175,366
Restricted funds		53,798	74,626
<b>TOTAL FUNDS</b>		<hr/> <b>347,788</b>	<hr/> <b>249,992</b>



The Trustees consider that the charitable company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 (“the Act”) relating to small companies and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 Board of Trustees on 14 September 2020 and were signed on its behalf by:



**Clare Gummett** (Chair), Trustee



**Steve Atkins** (Treasurer), Trustee

## Statement of cash flows for the year ended 31 March 2020

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Net cash provided by operating activities</b>	<b>59,211</b>	<b>86,908</b>
<b>Cash provided from investing activities</b>		
Interest from investments	846	829
<b>Net cash used in investing activities</b>	<b>846</b>	<b>829</b>
Changes in cash and cash equivalents	60,057	87,737
Cash and cash equivalents at the start of the year	294,140	206,403
<b>Cash and cash equivalents at the end of the year</b>	<b>354,197</b>	<b>294,140</b>
<i>All amounts relate to continuing activities.</i>		
<b>RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net income for the reporting period (as per the statement of financial activities)	97,796	38,752
<b>Adjustments for:</b>		
Add back depreciation charge	—	202
Losses/(unrealised gains) on investments	795	(1,788)
Interest from investments	(846)	(829)
(Increase)/decrease in debtors	(30,359)	94,849
(Decrease) in creditors	(8,175)	(44,278)
<b>Net cash used in operating activities</b>	<b>59,211</b>	<b>86,906</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank and cash in hand	354,197	294,140
<b>Total cash and cash equivalents</b>	<b>354,197</b>	<b>294,140</b>

The notes on pages 42 to 58 form part of the financial statements.



# Notes to the Financial Statements

## 1. Accounting Policies

### 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. The financial statements are prepared on a going concern basis under the historical cost convention.

Age UK Merton meets the definition of a public benefit entity under FRS 102.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis and having considered future plans and forecasts, including a review of financial reserves as detailed in the Trustees' report, the Trustees believe it appropriate to continue to do so.

### Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

- The Charity has entitlement to the funds;
- Any performance conditions have been met or are fully within the control of the Charity; there is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.
- Contract income is recognised as the Charity earns the right to consideration through the performance of its services.

Income received in advance of a specific activity or provision of other specified service is deferred until the criteria for income recognition are met.

### Expenditure recognition

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

- Costs of raising funds which comprise those costs associated with seeking donations and grants
- Expenditure on charitable activities, which comprises the costs of running the various activities and services for the Charity's beneficiaries.

Expenditure includes those costs of a direct nature, which can be allocated to a specific activity. It also includes indirect costs, including governance costs that do not relate to a specific activity but are necessary to support them. Support costs are apportioned to each activity on the basis of staff time.

### **Fund accounting**

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the Charity and which have not been designated for specific purposes.

Designated funds are unrestricted funds of the Charity, which the Trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds which can only be used in accordance with specific restrictions imposed by the donor or which have been raised for a particular purpose.

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

### **Donated services and facilities**

Donated services or facilities are recognised as income if material when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### **Voluntary help**

A significant amount of time is expended on the Charity's activities, which is donated free of charge. It is not possible to quantify the value of time given and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

### **Pension costs & other post — retirement benefits**

Employees are able to join the money purchase scheme, which has been established in compliance with the regulations on workplace pensions under the Pensions Act 2008. Employees were automatically enrolled into the money purchase scheme unless they have exercised their right to opt out of scheme membership.

### **Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

<b>Asset Category</b>	<b>Annual Rate</b>
Motor vehicles	33% on cost
Other assets	33% on cost

### **Corporation Taxation**

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### **Investments**

Unlisted investments have been included in the Balance Sheet at bid market value as at 31 March 2020.

### **Grant making to individuals**

Grant applications are considered by the Finance Sub Committee on a frequent basis and the average grant is £250.

## 2. Income from donations and legacies

	2020 £	2019 £
<b>Donations</b>	26,267	24,310
<b>Notional rent</b>	18,000	18,000
<b>Legacies</b>	71,866	—
	<b>116,133</b>	<b>42,310</b>

Of the £116,133 received (2019: £42,310) £116,093 is unrestricted and £40 restricted (2019: £42,230 unrestricted and £80 restricted).

## 3. Investment income

	2020 £	2019 £
<b>Bank interest</b>	995	700
<b>Investment income</b>	846	829
	<b>1,841</b>	<b>1,529</b>

All of the Investment income in both years is unrestricted.



**4. Incoming resources from charitable activities**

	<b>2020 £</b>	<b>2019 £</b>
<b>GRANTS</b>		
Health Programmes	101,575	101,686
Information and Advice	118,714	95,044
Love Later Life	22,547	22,470
Overheads	1,586	—
<b>CONTRACT INCOME</b>		
Information and Advice	8,990	8,618
Love Later Life	22,500	33,930
Volunteers and Befriending	62,071	50,000
<b>CLIENT INCOME</b>		
At Home with Age UK Merton	224,521	206,509
Love Later Life	51,006	51,180
<b>ROOM HIRE INCOME</b>		
Overheads	24,850	17,763
<b>SUNDRY INCOME</b>		
Overheads	854	534
At Home with Age UK Merton	—	510
Information and Advice	15,000	15,000
	<b>654,214</b>	<b>603,244</b>

Of the £654,214 received (2019: £603,244) £345,317 is unrestricted and £308,897 restricted (2019: £340,491 unrestricted and £262,753 restricted.)

#### 4.1 Grant details

Grants received, included in the above, are as follows:

		2020 £	2019 £
<b>UNRESTRICTED</b>			
<b>AGE UK London – Discretionary Grants</b>		1,586	6,815
<b>Dr Friedrich Stock Memorial Trust</b>		—	2,500
<b>London Borough of Merton</b>		5,000	5,000
<b>Merton Voluntary Service Council</b>		—	750
		<b>6,586</b>	<b>15,065</b>
<b>RESTRICTED</b>			
<b>Garfield Weston Foundation</b>	<b>Health Programmes</b>	—	10,000
<b>London Borough of Merton</b>	<b>Health Programmes</b>	101,575	85,938
<b>London Borough of Merton</b>	<b>Information and Advice</b>	44,000	22,000
<b>London Borough of Merton</b>	<b>Love Later Life</b>	—	6,405
<b>Masonic Charitable Foundation</b>	<b>Health Programmes</b>	—	5,748
<b>Masonic Charitable Foundation</b>	<b>Love Later Life</b>	9,672	—
<b>National Lottery Community Fund</b>	<b>Information and Advice</b>	74,714	73,044
<b>The Charity of Sir Richard Whittington</b>	<b>Love Later Life</b>	6,875	—
<b>Wimbledon District Nursing &amp; Midwifery Benevolent Society</b>	<b>Love Later Life</b>	1000	1000
		<b>237,836</b>	<b>204,135</b>

## 5. Fundraising costs

	2020 £	2019 £
Direct fundraising costs	2,980	1,778
Fundraisers' costs	—	9,175
	<b>2,980</b>	<b>10,953</b>

All of the above fundraising costs of £2,980 are all unrestricted costs (2019: £10,953 all unrestricted costs).

## 6. Charitable activities costs

	Direct costs £	Support costs £	2020 £	2019 £
At Home with Age UK Merton	203,509	26,810	230,319	214,692
Grants to Individuals	81	—	81	—
Health Programmes	78,709	28,981	107,690	86,357
Information & Advice	108,019	39,345	147,364	117,840
Love Later Life	90,646	26,969	117,615	113,194
Overheads	31,891	—	31,891	26,477
Volunteers and Befriending	43,667	3,967	47,634	46,229
	<b>556,522</b>	<b>126,072</b>	<b>682,594</b>	<b>604,789</b>



## 7. Analysis of direct costs

	Unrestricted £	Restricted £	2020 £	2019 £
<b>Staff costs</b>	243,783	230,780	465,563	386,104
<b>Volunteer expenses</b>	289	1,386	1,675	1,349
<b>Project costs</b>	42,922	19,553	62,475	62,687
<b>Premises costs</b>	18,007	—	18,007	25,844
<b>Office costs</b>	3,817	4,245	8,062	10,605
<b>Governance</b>	565	175	740	2,427
	<b>300,383</b>	<b>256,139</b>	<b>556,522</b>	<b>489,016</b>

## 8. Analysis of support costs

	Unrestricted £	Restricted £	2020 £	2019 £
<b>Staff costs</b>	31,285	46,261	77,546	77,975
<b>Premises costs</b>	9,492	10,211	19,703	15,399
<b>Office costs</b>	7,330	11,568	18,898	15,052
<b>Governance costs</b>	4,339	5,586	9,925	7,347
	<b>52,446</b>	<b>73,626</b>	<b>126,072</b>	<b>115,773</b>

**9. Governance costs**

	<b>2020</b> £	<b>2019</b> £
Accountancy	1,800	1,600
AGM costs	75	119
Bank charges and fees	2,083	1,228
Consultancy fees	570	1,900
Independent examiner	2,100	1,900
Legal fees	223	13
Meeting costs	219	280
Payroll costs	1,925	1,305
Trustees expenses	8	67
Other fees and licences	1,662	1,362
	<b>10,665</b>	<b>9,774</b>

Of the £10,665 costs (2019: £9,774) £4,904 is unrestricted costs and £5,761 is restricted costs (2019: £6,130 unrestricted costs and £3,644 restricted costs).

**10. Net incoming/(outgoing) resources**

Net resources are stated after charging/(crediting):

	<b>2020</b> £	<b>2019</b> £
Independent examination	2,100	1,900
Depreciation — owned assets	—	202

## 11. Staff costs

	2020 £	2019 £
<b>Wages and salaries</b>	490,798	424,667
<b>Social security costs</b>	28,627	11,529
<b>Pension costs</b>	12,670	7,942
	<b>532,095</b>	<b>444,138</b>

No employees had employee benefits in excess of £60,000 (2019 nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The Charity Trustees were not paid nor received any other benefits from employment with the Charity in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No Charity Trustee received payment for professional or other services supplied to the Charity (2019: £nil).

The Senior Management Team of the Charity comprises of the Trustees and those detailed on pages 30 and 32 of the Trustees report. The total employee benefits of the key management personnel of the Charity were £213,772 (2019: £162,569).

## 12. Staff numbers

The average monthly number of employees (including casual and part time staff) during the year was as follows:

	Numbers 2020	Numbers 2019
<b>Senior management team</b>	7	6
<b>Other direct charitable staff</b>	11	11
<b>At Home with Age UK Merton</b>	22	20
	<b>40</b>	<b>37</b>



### 13. Pension costs

The company has a defined contribution pension scheme, which all employees are entitled to join. The company contributes 4% and the employees contributed 4% and employees may make further additional voluntary contributions.

During the year ended 31 March 2020, the company's total contributions amounted to £12,670 (2019: £7,942).

### 14. Related party transactions

There were no material related party transactions during the year.

### 15. Tangible fixed assets

	Other Assets £	Totals £
<b>COST</b>		
At 1 April 2019	25,257	25,257
Additions	—	—
<b>Disposals</b>	(15,867)	(15,867)
<b>At 31 March 2020</b>	<b>9,390</b>	<b>9,390</b>
<b>DEPRECIATION</b>		
At 1 April 2019	25,257	25,257
Charge for year	—	—
Eliminated on disposal	(15,867)	(15,867)
<b>At 31 March 2020</b>	<b>9,390</b>	<b>9,390</b>
<b>NET BOOK VALUE</b>		
<b>At 31 March 2020</b>	<b>—</b>	<b>—</b>
<b>At 31 March 2019</b>	<b>—</b>	<b>—</b>

## 16. Fixed asset investments

	Unlisted Investments £	Totals £
<b>Market value</b>		
At 1 April 2019	25,222	25,222
Additions	—	—
Disposals	—	—
Revaluation	(795)	(795)
At 31 March 2020	24,427	24,427

There were no investment assets outside the UK.

### Unlisted Investments

	2020 £	2019 £
<b>COIF Charities Investment Fund Income</b> 1002.95 units	14,866	15,350
<b>COIF Charities Investment Fund Income</b> 645 units	9,561	9,872
	<b>24,427</b>	<b>25,222</b>

The revaluation in the year for the unlisted investments is a result of an unrealised loss of £795 (2019: Gain £1,788).

Unlisted investments consist of COIF Charities Investment Fund Income Units. These have been included at bid market value price.

**17. Debtors: amounts falling due within one year**

	<b>2020</b> £	<b>2019</b> £
<b>Trade debtors</b>	49,082	16,494
<b>Accrued income</b>	7,054	7,921
<b>Prepayments</b>	2,617	3,979
	<b>58,753</b>	<b>28,394</b>

**18. Creditors: amounts falling due within one year**

	<b>2020</b> £	<b>2019</b> £
<b>Trade creditors</b>	2,376	986
<b>Other taxes</b>	9,074	5,816
<b>Other creditors</b>	4,320	2,788
<b>Accrued expenses</b>	6,885	10,066
<b>Deferred income</b>	66,934	78,108
	<b>89,589</b>	<b>97,764</b>



## 19. Analysis of net assets between funds

Current year information for the net assets between funds:

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
<b>Fixed assets</b>	—	—	—	—
<b>Investments</b>	24,427	—	24,427	25,222
<b>Current assets</b>	295,919	117,031	412,950	322,534
<b>Current liabilities</b>	(26,356)	(63,233)	(89,589)	(97,764)
	<b>293,990</b>	<b>53,798</b>	<b>347,788</b>	<b>249,992</b>

Comparative year information for the net assets between funds:

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
<b>Fixed assets</b>	—	—	—	202
<b>Investments</b>	25,222	—	25,222	23,434
<b>Current assets</b>	168,000	154,534	322,534	329,646
<b>Current liabilities</b>	(17,856)	(79,908)	(97,764)	(142,042)
	<b>175,366</b>	<b>74,626</b>	<b>249,992</b>	<b>211,240</b>

## 20. Movement in funds

	<b>At 1/4/19</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31/3/20</b>
<b>Current Year</b>	£	£	£	£
<b>Unrestricted funds</b>				
General fund	175,366	118,624	—	293,990
	<b>175,366</b>	<b>118,624</b>	<b>—</b>	<b>293,990</b>
<b>Restricted funds</b>				
At Home with Age UK Merton	4,882	(1,900)	—	2,982
Grants to individuals	4,503	(81)	—	4,422
Healthcare Programmes	45,918	(6,115)	(22,549)	17,254
Information and Advice	15,552	(4,620)	—	10,932
Love Later Life	—	(22,549)	22,549	—
Volunteers and Befriending	3,771	14,437	—	18,208
	<b>74,626</b>	<b>(20,828)</b>	<b>—</b>	<b>53,798</b>
<b>TOTAL FUNDS</b>	<b>249,992</b>	<b>97,796</b>	<b>—</b>	<b>347,788</b>

Net movements in funds for the current year are as follows:

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>Movement in funds</b>
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	475,228	(355,809)	(795)	118,624
<b>Restricted funds</b>				
At Home with Age UK Merton	—	(1,900)	—	(1,900)
Grants to individuals	—	(81)	(81)	
Healthcare Programmes	101,575	(107,690)	—	(6,115)
Information and Advice	127,744	(132,364)	—	(4,620)
Love Later Life	17,547	(40,096)	—	(22,549)
Volunteers and Befriending	62,071	(47,634)	—	14,437
	<b>308,937</b>	<b>(329,765)</b>	<b>—</b>	<b>(20,828)</b>
<b>TOTAL FUNDS</b>	<b>784,165</b>	<b>(685,574)</b>	<b>(795)</b>	<b>97,796</b>

	At 1/4/19	Net movement in funds	Transfers between funds	At 31/3/20
	£	£	£	£
<b>Comparative Year</b>				
<b>Unrestricted funds</b>				
General fund	141,276	34,090	—	175,366
	<b>141,276</b>	<b>34,090</b>	<b>—</b>	<b>175,366</b>
<b>Restricted funds</b>				
At Home with Age UK Merton	6,297	(1,415)	—	4,882
Grants to individuals	4,503	—	—	4,503
Healthcare Programmes	30,589	15,329	—	45,918
Information and Advice	14,650	902	—	15,552
Love Later Life	13,925	(13,925)	—	—
Volunteers and Befriending	—	3,771	—	3,771
	<b>69,964</b>	<b>4,662</b>	<b>—</b>	<b>74,626</b>
<b>TOTAL FUNDS</b>	<b>211,240</b>	<b>38,752</b>	<b>—</b>	<b>249,992</b>

Net movements in funds for the comparative year are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	389,873	(357,571)	1,788	34,090
<b>Restricted funds</b>				
At Home with Age UK Merton	—	(1,415)	—	(1,415)
Grants to individuals	—	—	—	—
Healthcare Programmes	101,686	(86,357)	—	15,329
Information and Advice	103,742	(102,840)	—	902
Love Later Life	7,405	(21,330)	—	(13,925)
Volunteers and Befriending	50,000	(46,229)	—	3,771
	<b>262,833</b>	<b>(258,171)</b>	<b>—</b>	<b>4,662</b>
<b>TOTAL FUNDS</b>	<b>652,706</b>	<b>(615,742)</b>	<b>1,788</b>	<b>38,752</b>



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## 21. Capital Commitments

The Charity has authorised and contracted for expenditure of £Nil. The Charity has authorised but not contracted for expenditure of £Nil in its capital budget for the upcoming year. The 2020/21 budget did include £12,500 for a feasibility study in relation to building works at the Elmwood Centre, which may result in future capital investment into the Elmwood Centre, for which funding will be sought.

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## 22. Funds

The Charity benefits from a number of restricted funds granted for specific projects or purposes as agreed with the funder.

### At Home with Age UK Merton

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This incorporates our At Home service that provides regular domestic support to help maintain independence in later life.

### Volunteering and befriending

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We have been by Public Health Merton for the provision of the Merton Befriending Scheme since 2015, working in an innovative collaboration with the Wimbledon Guild of Social Welfare to ensure the delivery of high quality befriending services for isolated older people. This service has a particular focus on identifying and supporting those most likely to experience social isolation and related poor health outcomes, including targeted work to reach older people from BAME groups.

In February we were also commissioned by Public Health Merton to pilot a Carers Befriending service in partnership with Carers Support Merton.

## Health Programmes

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### Living Well

This service is funded by the London Borough of Merton's Strategic Partner Programme and sees Age UK Merton working in partnership with other voluntary sector organisations and Adult Social Care to support older Merton residents with their social, emotional and nutritional needs.

### Fresh Start

This two year pilot is funded by the London Borough of Merton through the Disabled Facility Grant. The service provides one to one support for older adults experiencing low level hoarding and de — clutter issues. The service seeks to enable the individuals to improve home safety, address the root causes of the issue and improve health and wellbeing.

## Information and Advice

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Our I&A services provided Advice Quality Standard accredited advice for older people seeking support with welfare benefits, community care, housing and local services. The department is funded from multiple sources. We have received funding from the National Lottery Community Fund to help develop this service over five years with key objectives around improving access, quality, information governance and positive outcomes for clients in areas like benefits assessment. We have also continued our Warm & Well in Merton project, in partnership with Thinking Works and Wimbledon Guild funded by the London Borough of Merton Council. We also benefit from funding from the utility provider EON, to deliver benefits advice sessions.

## Love Later Life

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The service provides a programme of social and physical activities from our centre, across Merton and further afield. These services are largely funded through client income but we have received substantial support to help subsidise costs and support specific activities. During the year we were able to extend some of these services thanks to funding from the Masonic Charitable Foundation, The Charity of Sir Richard Whittington (Mercers Company), Wimbledon District Nurses and Midwifery Benevolent Society and the London Borough of Merton.

## Grants to Individuals

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These funds provide us with a resource for making small grants to older people in particular need across Merton, the average grant being £250.

# Reference and administrative details

**Registered Company number**  
05173595 (England & Wales)

**Registered Charity number**  
01105384

## **Registered office**

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Elmwood Centre,  
277 London Road,  
Mitcham,  
Surrey CR4 3NT

## **Independent Examiner**

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Andrea L Kibble FCCA

**A K Accounting Solutions Limited**  
Statutory Auditors and Chartered  
Certified Accountants  
Minister House  
126a High Street  
Whitton, Twickenham  
Middlesex, TW2 7LL

## **Bankers**

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**Barclays Bank Plc.**  
Barclays House,  
8 Alexandra Road,  
Wimbledon,  
London SW19 7JZ

**Unity Trust Bank Plc.**  
Nine Brindley Place,  
Birmingham B1 2HB

## **Investment managers**

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**CCLA Fund Managers Limited**  
COIF Funds, Senator House,  
85 Queen Victoria Street,  
London EC4V 4ET



# Our supporters

Age UK Merton wishes to thank all of our supporters for their generosity over the last year. No matter how large or small, each contribution makes a difference.

Over the year, the Charity has benefitted from support from a number of new partners, in addition to help from long-term supporters. We rely on funding from a variety of sources, including our clients, who pay for our high quality services. We thank them for choosing the Charity as a service provider and aspire to continue to provide the highest quality support to help them love later life.

In addition, we thank our local partners, the **London Borough of Merton Council**, **Wimbledon Foundation** and **Wimbledon District Nurses and Midwives Benevolent Society** for their support. We are privileged to enjoy such strong partnerships with local partners, who share our passion for the health and wellbeing of Merton's older adults.

We also thank partners from further afield who have chosen to invest in Merton. In particular, we are grateful to the **National Lottery Community Fund**, **Age UK**, the **Masonic Charitable Foundation**, the **Charity of Sir Richard Whittington (Mercers Company)**, and **Garfield Weston**. This support from national funders is testament to the needs of older adults in Merton and our unique position to help everyone love later life.

Finally, we pay our sincere thanks to all those individuals who have made donations or attended our fundraising events over the last year. Every penny donated is put to good use in our efforts to make Merton a great place to grow old.





**Age UK Merton**  
Elmwood Centre,  
277 London Road,  
Mitcham, CR4 3NT

**t.** 020 8648 5792  
**e.** [info@ageukmerton.org.uk](mailto:info@ageukmerton.org.uk)  
**s.** [@ageukmerton](https://www.facebook.com/ageukmerton)  
[ageukmerton.org.uk](http://ageukmerton.org.uk)