

COMPANY REGISTRATION NUMBER: 3897291  
CHARITY REGISTRATION NUMBER: 1079773

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Financial Statements**  
**31 March 2017**

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Financial Statements**  
**Year ended 31 March 2017**

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**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Director's Report)**  
**Year ended 31 March 2017**

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2017.

**Reference and administrative details**

**Registered charity name** Age UK Milton Keynes

**Charity registration number** 1079773

**Company registration number** 3897291

**Principal office and registered office** The Peartree Centre  
1 Chadds Lane  
Peartree Bridge  
Milton Keynes  
MK6 3EB

**The trustees**

Mrs M Bates	
Miss S J Graham	
Mrs D S Payne	
Mr J Goodman	
Mr P Lazard	
Dr A Watson	
Mr S Jones	(Appointed 7 December 2016)
Mr Kris Raina	(Appointed 16 March 2017)
Mrs J Deeley	(Appointed 1 June 2017)
Mrs J McMeekin	(Appointed 1 June 2017)
Mrs J M Taylor	(Retired 27 January 2017)

**Company secretary** Mrs J Palmer

**Auditor** Keens Shay Keens MK LLP  
Chartered accountant & statutory auditor  
Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

**Bankers** Lloyds Bank Plc  
  
Natwest Bank Plc

# **Age UK Milton Keynes**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2017**

**Solicitors**

Shakespeares  
Chancery House  
199 Silbury Boulevard  
Milton Keynes  
MK9 1JL

**Pension and auto-  
enrolment advisors**

Mattioli Woods  
Investment House  
22-26 Celtic Court  
Buckingham Industrial Estate  
Buckingham  
MK18 1RQ



# **Age UK Milton Keynes**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2017**

#### **Structure, governance and management**

The Trustees present their Annual report together with the audited financial statements for the year ended 31st March 2017.

#### **Governing Document**

Age UK Milton Keynes is a charitable company limited by guarantee, incorporated on 20th December 1999 and registered as a charity on 9th March 2000. The formal change of name from Age Concern Milton Keynes was registered on 30th April 2010. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up each member is required to contribute an amount not exceeding £1.

#### **Trustee Induction & Training**

New Trustees receive appropriate induction by way of an induction meeting together with appropriate training.

#### **Public Benefit**

Our charity's purposes as set out in the objects contained in the company's memorandum of association are to promote the relief of older people in any manner which now or hereafter may be deemed by law to be charitable in and around Milton Keynes. (hereinafter called "the area of benefit").

#### **Risk Management**

The Executive Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors. We were awarded the Age UK Quality Mark for Information and Advice (I&A) and the Advice Quality Standard for I&A which is an independently audited quality standard. We also hold the Foundations Quality Mark and are TrustMark accredited for our handyperson services. We currently hold the Age UK Organisational Quality Standard (OQS). These ensure a confirmation of the consistent quality of delivery for all operational aspects of the charity.

These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

#### **Organisational Structure**

The Board of Trustees meets 4 times a year and is normally elected every year at the AGM. In addition to reports by the Chief Executive, two formally constituted sub-committees report to the Board: the Finance & General Purposes Committee and the Service Development & Marketing Committee. Each sub-committee is chaired by a Trustee appointed by the Board and has specific terms of reference and levels of authority delegated by the Board. In addition, the Board meets quarterly to review in more depth specific areas of the organisation.

**Age UK Milton Keynes**  
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**Trustees' Annual Report (Incorporating the Director's Report) (continued)**  
**Year ended 31 March 2017**

**Organisational Structure (continued)**

In addition to the Chief Executive selected Senior Managers attend Board and Sub Committee meetings.

The Chief Executive, supported by the Senior Managers of the Charity, is responsible to the Board for the development and implementation of the Charity's Business Plan.

**Pay and remuneration**

An annual review of payment to the charity's key management personnel is overseen by the trustees and decisions made in accordance with the needs of the charity. There is not an annual automatic rise in salaries. A template was especially developed for Age UK MK by the Cranfield Institute, which uses a points system for specific and varying responsibility in alignment with job descriptions.

**Trustees responsibilities**

The Trustees acknowledge their responsibilities as set out on page 5 - Statement of Trustees' Responsibilities.

**Related Parties**

The charity is a member of Age England Association, a brand partner of Age UK and a full member of the Ready for Ageing Alliance.

**Objectives and activities**

The charity is a non political, non sectarian voluntary organisation working with statutory and other voluntary, community and social enterprise organisations within the Borough of Milton Keynes to promote the welfare of older people in any manner that now, or in the future may be deemed by law to be charitable.

To this end, the charity provides services (some free to the client, some charged for), which give advice and information, social activities to help reduce isolation and loneliness, practical help to enable older people to stay in their own homes. We work with other partners to research the social isolation agenda (e.g. digital inclusion) as well as providing services for older people, their families and work with health and social care providers to improve the well being of our clients.

The Trustees are aware of the Charity Commission's guidance on public benefit and consider that the objectives set out above which relate directly to the welfare of older people benefit not only those individuals but society as a whole.

**Strategic report**

The following sections for achievements and performance and financial review form the strategic report of the charity.

## **Age UK Milton Keynes**

### **Company Limited by Guarantee**

#### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2017**

##### **Achievements and performance**

The year 2016-2017 has continued to bring challenges to Age UK Milton Keynes (Age UK MK). We have once again reviewed the services we provide to older people in Milton Keynes and the organisational structure and staffing that is in place to provide those services.

It has been necessary to make some redundancies and to decrease some of the activities we had previously hoped to retain. Lunch clubs have been reduced to just 7 sessions a week across MK, a service that is vital in the fight against social isolation and often the only time some of the most vulnerable are able to leave their homes; the average age of those attending is now 92 years. The cost of transport has been the foremost reason for the reduction in service.

To enable us to continue the running of our free services to older persons, we have reviewed our charged-for services and any surplus is invested in the support of Information & Advice, Advocacy and Community Home Visiting, some of which receives limited external funding.

Telephone and face-to-face advice is still vital to older persons who have yet to become familiar with the use of technology. Our Technology Help service has been a boon to those who want to get up to speed with the basics of on-line skills and we hope to continue this after the 2 year funding stream comes to an end.

A Fundraising Strategy is being put in place during the forthcoming year to build on the corporate connections and friendships we have made through activities such as the Dragon Boat Race and Quiz nights. This will support the unrestricted funds we receive from our retail outlets.

It will be important, more than ever before, to keep a close eye on income and expenditure to ensure we keep within the budgetary requirements.

We are enormously grateful to our staff and volunteers who once again have worked tirelessly to improve the lives of older people in Milton Keynes.

## **Age UK Milton Keynes**

### **Company Limited by Guarantee**

#### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

#### **Year ended 31 March 2017**

##### **Financial review**

The deficit for the year ending 31 March 2017 is £176,997, compared with a deficit of £78,596 in 2015-16. Last year, the sudden withdrawal of funding from several services by MK Council was eased by a transitional grant of £121,000. We have reshaped several of our services to make up this shortfall, but clearly have some way to go. We have made further changes to be implemented in 2017/18, which resulted in three redundancies but include plans to grow several of our services.

While gross income from our shops was slightly up on last year, there were some major remedial repairs following fixed wiring safety inspections, giving a net contribution to our unrestricted income of £310,771, a drop of 3.6%.

Following a successful pilot, Age UK Milton Keynes was awarded a three year contract to provide a Hospital Aftercare Service to facilitate hospital discharge and to support patients for up to 6 weeks after. This service enables hospital discharge by offering timely and practical help to patients, thus helping to reduce hospital readmissions.

Total income for the year was £2,217,242 compared with £2,222,988 for the previous year. Income from our shops and fundraising represents 51.6% of total income, compared with 51.9% last year. Expenditure on charitable activities accounts for 65% of all expenditure.

##### **Investment Policy**

The Trustees ensure that surplus funds are invested in bank deposits in order that they may be readily available. Any monies not immediately required may be invested in securities or property by the Board, provided they seek written, professional advice from a person of standing who is authorised to give such advice under the FCA (1986).

##### **Reserves Policy**

It is the policy of Age UK Milton Keynes to maintain sufficient readily accessible financial reserves to adequately cover operating costs less 75% of projected income (as per the current, agreed revenue budget) for a minimum of six months.

Based on the 2017/18 budget, the amount required to meet the policy is £260,312. The funds available at 31st March 2017 are calculated as £283,743. (Net current assets £725,863 – restricted funds £338,496 – estimated pension shortfall £103,624).

# **Age UK Milton Keynes**

## **Company Limited by Guarantee**

### **Trustees' Annual Report (Incorporating the Director's Report) *(continued)***

**Year ended 31 March 2017**

#### **Plans for future periods**

The Charity's priorities in 2017/2018 will be:

- To keep older people at the core of the organisation;
- To review our financial position in the light of changing funding streams and become more self-sufficient making the organisation stronger and more sustainable;
- To continue to explore new and innovative ways to continue our work and build on our research into the needs of older people to ensure we develop the services and activities to meet their changing needs and the growing numbers who are becoming socially isolated;
- To continue to be actively involved in the uses of digital technology to overcome social isolation;
- To raise the profile of Age UK MK within the community in order to reach a wider audience and to establish our services and activities as core to local statutory, voluntary and community outcomes;
- To continue to actively promote the preventative agenda and work alongside our Health and Social Care partners;
- To promote and organise co-operation in the achievement of our priorities by working with other communities, voluntary bodies and social enterprises through exchanging information and advice;
- To develop a fundraising strategy to produce income to give us the opportunity to divert some funds into the areas of the ever changing needs of older people;
- To engage and communicate effectively with all interested parties and to involve our workforce in the ongoing development;
- To continually monitor and evaluate service and activity provision;
- To endeavour to embed the Milton Keynes Social Value Charter principles into our organisational practices.

#### **Trustees' responsibilities statement**

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

## Age UK Milton Keynes

### Company Limited by Guarantee

#### Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

**Year ended 31 March 2017**

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

#### **Auditor**

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 31.08.17 and signed on behalf of the board of trustees by:



Mrs J Palmer  
Charity Secretary



# **Age UK Milton Keynes**

## **Company Limited by Guarantee**

### **Independent Auditor's Report to the Members of Age UK Milton Keynes**

**Year ended 31 March 2017**

We have audited the financial statements of Age UK Milton Keynes for the year ended 31 March 2017 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charity's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 and of its 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

# Age UK Milton Keynes

Company Limited by Guarantee

## Independent Auditor's Report to the Members of Age UK Milton Keynes (continued)

Year ended 31 March 2017

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



SIMON J GILL FCCA  
(Senior Statutory Auditor)  
For and on behalf of  
KEENS SHAY KEENS MK LLP  
Chartered Accountants  
& Statutory Auditor

Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

26/09/2017



# Age UK Milton Keynes

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

31 March 2017

			2017		2016
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	5	59,271	2,552	<b>61,823</b>	39,900
Charitable activities	6	619,533	390,472	<b>1,010,005</b>	1,057,188
Other trading activities	7	1,143,473	-	<b>1,143,473</b>	1,120,036
Investment income	8	1,945	-	<b>1,945</b>	2,708
Other income	9	(4)	-	<b>(4)</b>	3,156
<b>Total income</b>		<u>1,824,218</u>	<u>393,024</u>	<u><b>2,217,242</b></u>	<u>2,222,988</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of other trading activities	10	847,514	-	<b>847,514</b>	804,577
Expenditure on charitable activities	10-12	1,199,122	347,603	<b>1,546,725</b>	1,497,007
<b>Total expenditure</b>		<u>2,046,636</u>	<u>347,603</u>	<u><b>2,394,239</b></u>	<u>2,301,584</u>
<b>Net expenditure</b>		<u>(222,418)</u>	<u>45,421</u>	<u><b>(176,997)</b></u>	<u>(78,596)</u>
Transfers between funds		42,011	(42,011)	-	-
<b>Net movement in funds</b>		<u>(180,407)</u>	<u>3,410</u>	<u><b>(176,997)</b></u>	<u>(78,596)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,814,069	335,086	<b>2,149,155</b>	2,227,751
<b>Total funds carried forward</b>		<u>1,633,662</u>	<u>338,496</u>	<u><b>1,972,158</b></u>	<u>2,149,155</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 14 to 29 form part of these financial statements.

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Statement of Financial Position**  
**31 March 2017**

		2017	2016
		£	£
<b>Fixed assets</b>			
Tangible fixed assets	20	1,246,295	1,293,396
<b>Current assets</b>			
Stocks	21	21,179	15,650
Debtors	22	121,728	141,554
Cash at bank and in hand		757,882	821,825
		<u>900,789</u>	<u>979,029</u>
<b>Creditors: amounts falling due within one year</b>	23	174,926	123,270
<b>Net current assets</b>		725,863	855,759
<b>Total assets less current liabilities</b>		<u>1,972,158</u>	<u>2,149,155</u>
<b>Net assets</b>		<u>1,972,158</u>	<u>2,149,155</u>
<b>Funds of the charity</b>			
Restricted funds		338,496	335,086
Unrestricted funds		1,633,662	1,814,069
<b>Total charity funds</b>	25	<u>1,972,158</u>	<u>2,149,155</u>

These financial statements were approved by the board of trustees and authorised for issue on 27.09.17, and are signed on behalf of the board by:

  
Miss S J Graham  
Director/Trustee

Company Registration Number: 3897291

The notes on pages 14 to 29 form part of these financial statements.

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Statement of Cash Flows**  
**Year ended 31 March 2017**

	2017 £	2016 £
<b>Cash flows from operating activities</b>		
Net expenditure	(176,997)	(78,596)
Adjustments for:		
Depreciation of tangible fixed assets	54,122	58,085
Other interest receivable and similar income	(1,945)	(2,708)
Loss/(gains) on disposal of tangible fixed assets	4	(3,156)
Accrued expenses	32,767	192
Changes in:		
Stocks	(5,529)	6,977
Trade and other debtors	19,826	30,768
Trade and other creditors	18,889	(15,492)
Cash generated from operations	(58,863)	(3,930)
Interest received	1,945	2,708
Net cash used in operating activities	(56,918)	(1,222)
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(7,025)	(5,468)
Proceeds from sale of tangible assets	-	3,156
Net cash used in investing activities	(7,025)	(2,312)
<b>Cash flows from financing activities</b>		
Other financing cash flow adjustment	-	2
Net cash from financing activities	-	2
<b>Net decrease in cash and cash equivalents</b>	(63,943)	(3,532)
<b>Cash and cash equivalents at beginning of year</b>	821,825	825,357
<b>Cash and cash equivalents at end of year</b>	757,882	821,825

The notes on pages 14 to 29 form part of these financial statements.

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements**  
**Year ended 31 March 2017**

**1. General Information**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Peartree Centre, 1 Chadds Lane, Peartree Bridge, Milton Keynes, MK6 3EB.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

# **Age UK Milton Keynes**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2017**

#### **3. Accounting policies *(continued)***

##### **Incoming resources**

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants and donations and is included in full in the Statement of Financial Activities when receivable.

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. The value of services provided by volunteers has not been included in these accounts.

Items donated for resale through the charity's shops are included as incoming resources within activities for generating funds when they are sold.

Investment income is included when received.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, is accounted for as the charity earns the right to consideration by its performance.

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**3. Accounting policies (continued)**

**Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Where VAT relating to Exempt Activities is not recoverable, it is shown as 'unrecoverable VAT' in the Central profit and loss:

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops. Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. As well as those costs associated with meeting the constitutional and statutory requirements of the charity and includes the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Expenditure is recognised on an accrual basis as a liability is incurred. Where VAT relating to Exempt Activities is not recoverable, it is shown as 'unrecoverable VAT' in the Central profit and loss.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis eg estimated usage as set out in Note 5.

**Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities as incurred.

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**3. Accounting policies (continued)**

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

**Depreciation**

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

Leasehold property	- 2% on property
Motor vehicles	- 25% straight line
Fixtures and fittings	- 25% / 33% straight line
Leasehold improvement	- over the life of the lease

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**3. Accounting policies (continued)**

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.



**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**3. Accounting policies (continued)**

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

**4. Limited by guarantee**

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

**5. Donations and legacies**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
<b>Donations</b>			
Donations and legacies	<u>59,271</u>	<u>2,552</u>	<u><b>61,823</b></u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
<b>Donations</b>			
Donations and legacies	<u>38,337</u>	<u>1,563</u>	<u><b>39,900</b></u>

# Age UK Milton Keynes

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 March 2017

#### 6. Charitable activities

2017	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Grant - Milton Keynes Council	8,112	–	8,112
Grant - Hospital	–	–	–
Grant - Rothschild Foundation	–	10,000	10,000
Grant - DEGA Project	–	2,000	2,000
Grant - Milton Keynes Community Foundation	–	14,000	14,000
Grant - Age UK	15,000	32,125	47,125
Other grants	5,505	2,188	7,693
Grant - Woburn Sands Town Council	1,398	–	1,398
Grant - West Bletchley Council	9,363	–	9,363
Grant - Wolverton and Greenleys Town Council	11,902	–	11,902
Grant - Central Bedfordshire Council	–	5,000	5,000
Contract funding – Milton Keynes Council	–	181,136	181,136
Contract funding – CCG	–	118,983	118,983
Building Better Opportunities	–	14,386	14,386
Charges for services	513,980	7,016	520,996
Other income	54,273	3,638	57,911
	<u>619,533</u>	<u>390,472</u>	<u>1,010,005</u>

2016	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Grant - Milton Keynes Council	121,000	109,629	230,629
Grant - Hospital	–	30,000	30,000
Grant - Rothschild Foundation	–	–	–
Grant - DEGA Project	–	15,500	15,500
Grant - Milton Keynes Community Foundation	–	9,600	9,600
Grant - Age UK	7,900	15,013	22,913
Other grants	4,205	5,655	9,860
Grant - Woburn Sands Town Council	1,398	–	1,398
Grant - West Bletchley Council	4,590	–	4,590
Grant - Wolverton and Greenleys Town Council	11,902	–	11,902
Grant - Central Bedfordshire Council	–	5,000	5,000
Contract funding – Milton Keynes Council	38,180	120,464	158,644
Charges for services	401,072	86,292	487,364
Other income	65,759	4,029	69,788
	<u>656,006</u>	<u>401,182</u>	<u>1,057,188</u>

#### 7. Other trading activities

2017	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Fundraising	27,720	–	27,720
Shop income	1,115,753	–	1,115,753
	<u>1,143,473</u>	<u>–</u>	<u>1,143,473</u>

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**7. Other trading activities (continued)**

2016	Unrestricted Funds	Restricted Funds	Total Funds 2016
	£	£	£
Fundraising	36,965	–	36,965
Shop income	1,083,071	–	1,083,071
	<u>1,120,036</u>	<u>–</u>	<u>1,120,036</u>

**8. Investment income**

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Bank interest receivable	<u>1,945</u>	<u>1,945</u>	<u>2,708</u>	<u>2,708</u>

**9. Other income**

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Gain on disposal of tangible fixed assets held for charity's own use	<u>(4)</u>	<u>(4)</u>	<u>3,156</u>	<u>3,156</u>

**10. Costs of other trading activities**

	Shop Costs 2017	Fundraising Costs 2017	Charitable Activities 2017	Governance Costs 2017	Total 2017	Total 2016
	£	£	£	£	£	£
Staff costs	410,336	30,376	1,142,337	–	1,583,049	1,533,268
Staff and volunteer expenses	2,236	265	42,819	–	45,320	49,131
Other overheads/direct costs	378,532	11,394	297,702	–	687,628	636,309
Depreciation	10,091	309	42,160	–	52,560	58,085
Finance	–	–	469	–	469	360
Audit fees	–	–	–	8,236	8,236	7,299
Meetings and Conferences	–	–	–	3,423	3,423	3,072
Professional fees	3,975	–	9,579	–	13,554	14,060
	<u>805,170</u>	<u>42,344</u>	<u>1,535,066</u>	<u>11,659</u>	<u>2,394,239</u>	<u>2,301,584</u>

# Age UK Milton Keynes

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 March 2017

#### 11. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Charitable activities	1,190,470	344,596	1,535,066
Support costs	8,652	3,007	11,659
	<u>1,199,122</u>	<u>347,603</u>	<u>1,546,725</u>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Charitable activities	1,066,756	422,558	1,486,636
Support costs	7,693	–	10,371
	<u>1,074,449</u>	<u>422,558</u>	<u>1,497,007</u>

  

	Charitable activities £	Total 2017 £	Total 2016 £
Property services	157,183	157,183	148,888
Home services	425,845	425,845	405,518
Day services	183,834	183,834	163,350
Other charitable activities	768,204	768,204	768,880
Governance costs	11,659	11,659	10,371
	<u>1,546,725</u>	<u>1,546,725</u>	<u>1,497,007</u>

#### 12. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2017 £	Total fund 2016 £
Charitable activities	1,535,066	–	1,535,066	1,486,636
Governance costs	–	11,659	11,659	10,371
	<u>1,535,066</u>	<u>11,659</u>	<u>1,546,725</u>	<u>1,497,007</u>

#### 13. Analysis of support costs

	Support costs £	Total 2017 £	Total 2016 £
Governance costs	8,236	8,236	7,299
Costs of trustees' meetings and conferences	3,423	3,423	3,072
	<u>11,659</u>	<u>11,659</u>	<u>10,371</u>

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**14. Net expenditure**

Net expenditure is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible fixed assets	54,122	58,085
Loss/(gains) on disposal of tangible fixed assets	<u>4</u>	<u>(3,156)</u>

**15. Auditors remuneration**

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>8,236</u>	<u>7,299</u>

**16. Staff costs**

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	1,504,355	1,453,209
Social security costs	63,464	62,247
Employer contributions to pension plans	<u>15,230</u>	<u>17,812</u>
	<u>1,583,049</u>	<u>1,533,268</u>

The key management personnel of the charity comprise the Chief Executive, Head of Finance, Head of Income and Marketing, Head of Operations and Services (until 31/08/2016) and Head of Information and Wellbeing Services. The total employee benefits of the key management personnel of the charity were £176,547 (2016: £202,043).

The charity offered a money purchase pension scheme operated by the Pensions Trust for all staff after a six month probation period to the end of the financial year ending 31 March 2014. The staging date for auto-enrolment was 1 April 2014, from this date all eligible employees were automatically enrolled into a pension scheme with Peoples Pension. The Pensions Trust pensions are now closed to new members.

The head count of employees during the year was 205 (2016: 210). The average number of full-time equivalent employees during the year is analysed as follows:

	2017	2016
	No.	No.
Chief executive	1	1
Direct service staff	32	40
Cost of generating funds	26	25
Other	<u>10</u>	<u>11</u>
	<u>69</u>	<u>77</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

# Age UK Milton Keynes

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 March 2017

#### 17. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

#### 18. Transfers between funds

Fund transfers are shown per fund in note 25 to the accounts (restricted funds).

The Healthwatch and Health Event Funds (£37,313) were ring fenced during the life of the Healthwatch contract. The contract was terminated and transferred to a new CIO at 31st December 2016 and the remaining fund transferred into unrestricted funds.

Age UK awarded a grant (£6,720) to purchase IT equipment for the Community Home Visitors to use in the field and for internet dongles for 2 years. The full cost of the equipment has been transferred from this fund to unrestricted funds, the depreciation of the equipment will be charged to the P&L. The restricted balance (£2,338) will be used against the ongoing costs of internet access in the clients home.

#### 19. Charges on assets

The following charges have been registered on the charity's assets

1. Rent deposit charge of £7,500 in respect of a charity shop in favour of L.R. Butlin Limited
2. Legal charge for £225,000 in favour of the National Lottery Charities Board in respect of a grant received.

#### 20. Tangible fixed assets

	Land and buildings £	Motor vehicles £	Equipment £	Leasehold Improvements £	Total £
<b>Cost</b>					
At 1 April 2016	1,457,380	27,706	215,830	242,762	<b>1,943,678</b>
Additions	-	-	4,130	2,895	<b>7,025</b>
Disposals	-	-	(16,277)	-	<b>(16,277)</b>
<b>At 31 March 2017</b>	<b>1,457,380</b>	<b>27,706</b>	<b>203,683</b>	<b>245,657</b>	<b>1,934,426</b>
<b>Depreciation</b>					
At 1 April 2016	273,376	25,623	189,491	161,792	<b>650,282</b>
Charge for the year	27,032	1,562	12,606	12,922	<b>54,122</b>
Disposals	-	-	(16,273)	-	<b>(16,273)</b>
<b>At 31 March 2017</b>	<b>300,408</b>	<b>27,185</b>	<b>185,824</b>	<b>174,714</b>	<b>688,131</b>
<b>Carrying amount</b>					
<b>At 31 March 2017</b>	<b>1,156,972</b>	<b>521</b>	<b>17,859</b>	<b>70,943</b>	<b>1,246,295</b>
At 31 March 2016	1,184,004	2,083	26,339	80,970	1,293,396

# Age UK Milton Keynes

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 March 2017

#### 21. Stocks

	2017	2016
	£	£
Stocks	<u>21,179</u>	<u>15,650</u>

#### 22. Debtors

	2017	2016
	£	£
Trade debtors	33,083	75,937
Prepayments and accrued income	57,298	53,777
Other debtors	31,347	11,840
	<u>121,728</u>	<u>141,554</u>

#### 23. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	54,881	25,534
Accruals and deferred income	86,559	53,792
Social security and other taxes	17,737	18,125
Other creditors	15,749	25,819
	<u>174,926</u>	<u>123,270</u>

#### 24. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £15,230 (2016: £17,812).

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

# Age UK Milton Keynes

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 March 2017

#### 24. Pensions and other post retirement benefits (continued)

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

#### Present values of provision

	2017	2016
	£	£
Present value of provision	<u>11,690</u>	<u>12,346</u>

#### Reconciliation of opening and closing provisions

	2017	2016
	£	£
Provision at start of period	12,346	10,076
Unwinding of the discount factor (interest expense)	241	165
Deficit contribution paid	(1,261)	(1,215)
Remeasurements – impact of any change in assumptions	364	(193)
Remeasurements – amendments to the contribution schedule	-	3,513
	<u>11,690</u>	<u>12,346</u>

#### Income and expenditure impact

	2017	2016
	£	£
Interest expense	241	165
Remeasurements – impact of any change in assumptions	364	(193)
Remeasurements – amendments to the contribution schedule	-	3,513
Contributions paid in respect of future service*	(4,145)	(8,951)
Costs recognised in income and expenditure account	<u>15,230</u>	<u>17,812</u>
	<u>11,690</u>	<u>12,346</u>

\*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

#### Assumptions

	2017	2016
	%	%
Rate of discount	<u>1.32</u>	<u>2.07</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.



# Age UK Milton Keynes

## Company Limited by Guarantee

### Notes to the Financial Statements (continued)

Year ended 31 March 2017

#### 25. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
General funds	513,619	1,824,218	(2,046,636)	89,112	380,313
Designated Fund	1,300,450	-	-	(47,101)	1,253,349
	<u>1,814,069</u>	<u>1,824,218</u>	<u>(2,046,636)</u>	<u>42,011</u>	<u>1,633,662</u>

The designated fund relates to the written down value of fixed assets, in recognition that these assets are not readily realisable.

##### Restricted funds

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
Restricted Funds	<u>335,086</u>	<u>393,024</u>	<u>(347,603)</u>	<u>(42,011)</u>	<u>338,496</u>

	At 1 April 2016	Income	Expenditure	Transfers	At 31 March 2017
Dega Client Fund	17,368	12,627	15,740	-	14,255
Peartree	225,000	-	-	-	225,000
PS Hardship Fund	14,810	-	755	-	14,055
PS Grants to Individuals	3,115	2,188	4,188	-	1,115
Surviving Winter Fund	3,285	200	47	-	3,438
PS TOOLS & EQUIP	449	-	-	(449)	-
Healthwatch (excl. Host costs)	40,123	118,983	122,485	(36,621)	-
Health Event	744	3,638	3,690	(692)	-
Lynoot Craft Fund	1,653	-	126	-	1,527
Home Support Hardship Fund	5,440	425	824	-	5,042
Deep Cleans Equipment	942	1,500	1,483	(109)	850
Hospital Aftercare Service	22,157	181,136	156,876	-	46,417
Advocacy and I&A	-	20,905	20,905	-	-
Age UK - CHV Notebooks	-	6,720	252	(4,130)	2,338
BBO Employment	-	14,386	4,723	-	9,664
Tech Help	-	13,115	9,532	-	3,583
Gardening Service	-	12,500	1,287	-	11,213
Age UK / EON - Energy Checks	-	4,500	4,500	-	-
Snack and Chat volunteers	-	200	190	(10)	-
	<u>335,086</u>	<u>393,024</u>	<u>347,603</u>	<u>(42,011)</u>	<u>338,496</u>

## **Age UK Milton Keynes**

### **Company Limited by Guarantee**

#### **Notes to the Financial Statements *(continued)***

**Year ended 31 March 2017**

#### **25. Analysis of charitable funds *(continued)***

DEGA: Funds to support day clubs for older people in the Woburn Sands area with a dementia or physical frailty. The club is funded by grants from Central Bedfordshire Council and the DEGA Project to run the club and provide additional activities for club members (eg Activities and entertainment).

Peartree Centre: Fund relates to a restriction by the Lottery Fund which will remain in force as a restricted fund for 80 years, with effect from February 2005.

Property Service Hardship Fund: Hardship fund for small DIY work, incorporating Safe and Sound Fund, and larger home repair and maintenance work, subject to qualifying criteria. This fund was set up with unrestricted funds designated by the Trustees for this purpose.

Property Service: Grants to Individuals: From grants received for work to be carried out for specific individuals, where that work is not completed at the year end.

Surviving Winter Fund: From MK Community Foundation to provide essential equipment / services to ensure warmth and safety over the winter period.

Healthwatch MK: Funded by MK Council contract - Balance is held in a protected fund during the life of the contract until December 2017. This balance is now released to unrestricted funds.

Health Event: A small balance held which is used in producing this annual event. Residual balance transferred to unrestricted funds at end of Healthwatch Project.

Lynoot Craft Fund: Fund set up from legacy from client and used to fund a craft activity groups.

Home Support Hardship Fund: A hardship fund to provide emergency support to vulnerable older clients on a one-off crisis basis.

Deep Cleans Equipment: Grants received from INTU:MK and MK Community Foundation to purchase equipment for the new deep clean service.

Hospital Aftercare: 3 year contract in place. The residual balance from the pilot has been set aside while the new contract gets established.

Age UK – CHV Notebooks: Grant from Age UK to purchase tablets for the Community Home Visitors to use in clients homes to record details of the visit and to assist with providing information and advice, benefits check, etc. The fund was used to purchase the HP Notebooks. The remaining will fund the dongles for internet access for 2 years.

BBO Employment: Project funded by the European Social fund and the Big Lottery via Luton Borough Council to help the long term unemployed into work.

Tech Help: Grant (paid over two years) received from Rothschild Foundation to set up a support service to train and support older people in the use of digital technology, e.g. PCs, laptops, tablets, smart phones, internet, email, etc

**Age UK Milton Keynes**  
**Company Limited by Guarantee**  
**Notes to the Financial Statements (continued)**  
**Year ended 31 March 2017**

**25. Analysis of charitable funds (continued)**

Gardening Service: Grant provided by MK Community Foundation to fund the development of the gardening service.

**26. Analysis of net assets between funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Tangible fixed assets	1,246,295	–	<b>1,246,295</b>
Current assets	387,367	338,496	<b>725,863</b>
<b>Net assets</b>	<b>1,633,662</b>	<b>338,496</b>	<b>1,972,158</b>

**27. Operating lease commitments**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
Not later than 1 year	<b>31,145</b>	1,393
Later than 1 year and not later than 5 years	<b>131,418</b>	88,550
Later than 5 years	<b>1,070,130</b>	1,088,471
	<b>1,232,693</b>	<b>1,178,414</b>

**28. Contingencies**

A liability would arise in the event of a withdrawal of the charity from the pension scheme operated by The Pension Trust. The contingent liability at 31st March 2017 amounted to £103,624 (2016: £93,474).

The Trustees have engaged Spence and Partners to advise and manage transfers of pension debt to reduce the liabilities under the Pensions Trust. Transfers have been effected to reduce the debt by more than 50%.

**29. Company limited by guarantee**

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