

# Financial statements

## Age UK Northamptonshire (Limited by Guarantee) and its subsidiary undertaking

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**For the year ended 31 March 2018**

**Company No. 03294424**

**Registered Charity No. 1059995**

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## Legal and administrative details

Age UK Northamptonshire is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The members of the charitable company are the original subscribers and others subsequently appointed by the Trustees. Each member's guarantee is limited to an amount not exceeding £1. The directors of the charitable company are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

|                                             |                                                                                                                                                                                                                               |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Company registration number:</b>         | 03294424                                                                                                                                                                                                                      |
| <b>Charity registration number:</b>         | 1059995                                                                                                                                                                                                                       |
| <b>Registered office:</b>                   | 31 Billing Road<br>Northampton<br>NN1 5DQ                                                                                                                                                                                     |
| <b>Trustees:</b>                            | A A Goodman (Hon. President)<br>P Bertin (Co-opted 28 March 2018)<br>C R Dobbs<br>J Faulkner (Chairman)<br>J Haynes<br>A D Lainsbury<br>B Lilley<br>L Mason<br>P Newham<br>A Rees (Hon. Treasurer)<br>J Robinson<br>R Wootton |
| <b>Senior management team:</b>              | C Duff<br>H Whyment<br>D Miller (resigned 31 July 2018)<br>S Watts                                                                                                                                                            |
| <b>Company Secretary and Chief Officer:</b> | C Duff                                                                                                                                                                                                                        |
| <b>Bankers:</b>                             | Bank of Scotland, Edinburgh<br>Nationwide Building Society,<br>Northampton                                                                                                                                                    |
| <b>Solicitors:</b>                          | Wilson Browne<br>The Manor House<br>12 Market Square<br>Higham Ferrers<br>Northamptonshire<br>NN10 8BT                                                                                                                        |
| <b>Auditor:</b>                             | Grant Thornton UK LLP<br>Chartered Accountants<br>Statutory Auditor<br>Victoria House<br>199 Avebury Boulevard<br>Milton Keynes<br>MK9 1AU                                                                                    |
| <b>Investment advisers:</b>                 | Rathbone Investment Management<br>Limited London                                                                                                                                                                              |

## Report of the Trustees

The Trustees (who are directors for the purposes of the Companies Act) present the report of the charitable company and its subsidiaries (Age UK Northamptonshire Trading Limited and The Venton 2000 Settlement), together with the financial statements for the year ended 31 March 2018. These are 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 the Republic of Ireland (FRS 102) (the Charities SORP (FRS102)).

No director had any beneficial interest in the charitable company.

### Structure, governance and management

#### Governing Document

Age UK Northamptonshire was established for charitable purposes and is constituted as a company limited by guarantee (No. 3294424) governed by its Memorandum and Articles of Association. Its governing instrument is its Memorandum and Articles of Association dated 22.10.2012. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can be a Member of the Company and there are currently 58 members, each of whom agrees to contribute £1 in the event of the Company winding up.

#### Connected charities

Age UK Northamptonshire is a member of Age England Association that includes a large number of connected charities, referred to as Brand Partners, working around the UK. The charitable company and its subsidiary (Age UK Northamptonshire Trading Limited) hold licenses to use the Age UK name and logo for an unlimited period so long as they meet the conditions of use in terms of standards and procedures within the organisations.

The charitable company's subsidiary undertaking, Age UK Northamptonshire Trading Limited, acts as an agent to sell insurance products for older individuals for Age UK Enterprises Limited.

The Venton 2000 Settlement is a linked charity to Age UK Northamptonshire that was established for the promotion of the relief of elderly people. It is accounted for as part of Age UK Northamptonshire.

#### Appointment, Induction and Training of Trustees

The Trustees are members of the company and are, therefore, guarantors in the sum of £1 each. The Trustees who served during the year are set out on page 1. The Trustees have the power to appoint additional trustees, subject to approval by the members at the next Annual General Meeting. Only members of the company are eligible to become Trustees.

## Report of the Trustees (continued)

The Trustees operate as an Executive Committee ("The Board of Trustees") for the charitable company. They are responsible for the governance of the charitable company and for the provision of business and financial administration. The Trustees are supported by the Chief Executive and other senior staff. The Trustees constitute the Committee.

The Committee consists of no less than three people, which includes:

- i a Chairperson elected by members at the Annual General Meeting and other Honorary Officers as the charitable company may determine, elected by the Board from amongst its members. Honorary Officers hold office from their election until the conclusion of the Annual General Meeting except for the Chairperson who holds office for three years, with a proviso that maximum continuous terms of office shall not, save in the circumstances contained in the Regulations of the Charity, exceed nine years.
- ii not more than nine members of the charitable company elected by the members at the Annual General Meeting, such persons shall sit on the Committee for a period of up to three years with one third retiring each year, with a proviso that their maximum continuous terms of office shall not, save in the circumstances contained in the Regulations, exceed nine years.
- iii co-opted members. The Committee may co-opt members of the charitable company to the Committee until the conclusion of the following Annual General Meeting. The number of co-opted members on the Committee may not exceed one third of the persons elected under categories (i) and (ii) above.

Members of the company appoint the Trustees. Newly elected Trustees attend meetings with the Chief Executive and key members of staff to observe the provision of services to older people. They are also provided with materials including an outline of their role and a copy of leaflet CC3 that they are invited to discuss. The appointment is confirmed by the completion of a personalised induction programme.

Trustees are expected to engage with one or more areas of the organisation's work in detail as volunteers. On a regular basis Trustees meet with other members of staff, volunteers and users of services to update their knowledge and discuss the organisation's impact on older people. Trustees assess their skills and competences both individually and collectively as a Board.

None of the Trustees receive remuneration or other benefit for their work with the Charity. Any potential conflict of interest between the Trustee and the charity must be disclosed to the full Board of Trustees. In the current year there were no potential conflicts of interest reported.

### Organisational Structure and Management

The Board of Trustees meets a minimum of four times each year and receives reports from the Chief Executive and two committees: Finance and Resources committee and Services committee. The Finance and Resources committee proposes the annual budget, monitors financial performance including investments, assets, risk management, and considers matters relating to income generation and personnel management. The Services committee monitors the quality of services to older people, considers older people's views about services and their own needs and discusses appropriate service development. Finance and Resources and Services committees each meet four times a year between meetings of the Board of Trustees. The Chief Executive attends meetings of all committees with other Senior Managers attending as required.

The Board of Trustees operates a scheme of authoritative delegation. The operational management is delegated to the Chief Executive and the Senior Managers. The Chief Executive is Christopher Duff and the Senior Managers are Sue Watts, Director of Business Development and Heather Whyment, Director of Finance.

## Report of the Trustees (continued)

The Board of Trustees maintains a robust governance framework to monitor, review and ensure compliance with all regulatory and best practice standards established by local commissioners Nene CCG, Age UK and the Care Quality Commission.

### Objectives and Activities

In accordance with its Memorandum and Articles of Association the charitable company's principal activities are to promote the wellbeing of older people in later life in Northamptonshire by helping to make life fulfilling and enjoyable, to broaden the range of choice and opportunities open to older people and to make their views known. Services are available to all older people across Northamptonshire. There have been no changes in objectives since the last annual report.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's Public Benefit Guidance when reviewing the charitable company's aims and objectives and in planning future activities.

The Mission Statement for the Charity, reviewed and updated by the Board of Trustees on 11 July 2018 is that:

Age UK Northamptonshire cares for older people. We help them to make the best of life and to have a secure and dignified old age.

During the next five years Age UK Northamptonshire:

- Will provide a wider range of services, products and opportunities to larger numbers of older people.
- Will be dependable and adaptable, business like but compassionate.
- Older people will still recognise us as an independent charity, part of their community and the organisation that they can depend on, more than any other, to treat them like a human being.

The Charity provides a range of services to improve the quality of older people's lives, promote independence and prevent them falling into frailty, poverty and isolation. We are recognised as the foremost local charity for older people and an organisation that older people can depend on to treat them with dignity and respect.

Services available are:

Responsive advice and information. This includes our general enquiries, our advice and information, money management, signposting to other services and, in particular, our benefits advice

High quality NHS funded services. This includes our Extra Help at the End of Life, Hospital Discharge, Collaborative Care, and A&E services and other work funded by the NHS and GP practices, including our Personalised and Integrated Care and Later Life pilots.

Popular charged for services. This includes our Wellbeing centres (Day Care) and associated transport, Domestic Care, Toe Nail Cutting, Sitting Services, Handyperson and Gardening Services together with a range of other wellbeing support activities, including lunch clubs.

Competitive traded products. This includes the range of nationally provided insurances; travel, car, house together with other commercially competitive support products; stairlifts, hearing aids, funeral plans, and lottery.



## Report of the Trustees (continued)

We also have a range of community funding support activities in order to raise unrestricted income for the Charity. This includes our work to raise voluntary income, including business development, fundraising activities, legacies, donations and our retail activities.

Trustees acknowledge the importance of the whole Age UK Northamptonshire team, staff and volunteers, to the successful delivery of our services, including fundraising support.

### Financial review

#### Overview

The Year Ending 31 March 2018 has been a financially very challenging year for the Charity. Total income of £3,322,502 was below the previous year (2017 £4,027,457). Expenses were substantially higher than the previous year at £4,076,803 (2017 £3,812,370). This has resulted in a deficit of £754,301 (2016/2017 surplus of £215,087) before other recognised gains and losses. Trustees remain very concerned at this financial performance and the resulting potential forward difficulties this situation could cause to cash flow and to financial sustainability. An overdraft facility has been negotiated with our bankers.

The reasons for the poor performance in 2017/18 were: the increase in staffing costs, including overtime and additional hours and the increase in the national Living Wage; increase in premises and other support costs; a negative income from legacies; an increase in other costs, in particular, our shop costs. There has also been a negative reassessment of our pension liability. The causes of the deficit have now been actively addressed and all costs and income sources reviewed.

Costs have now been reduced substantially and, looking forward, income is increasing for 2018/19. A strong positive has been the ability to maintain our contracted incomes for 2018/19. There is also a modest increase in our known donations and legacy income. Wage costs have been reduced and increases for staff from the National Living Wage have been absorbed. All other costs have been reviewed and reduced where possible without, so far, any detriment to our operational capacity or capability. Only one service, the shopping service, has been closed. All clients for that service have been supported and found alternative arrangements. All key services have been maintained and, where appropriate, expanded. It is expected that the number of clients supported this year across all our services will continue to increase in 2018/19.

The budget for 2018/19 has been agreed, including a planned deficit of £148,000. This is very positive, especially given that some of that deficit is caused by the 2017/18 reconstruction costs. It is expected that income and expenditure will come into balance during the latter part of 2018/19. It is expected that there will be an:

- Increase in income from charged for services
- Increase in unrestricted income from fundraising - legacies and donations
- Improvement in the contribution from retail income, moving from a deficit to a positive contribution.
- Improvement in trading income

#### Reserves policy

The reserves policy of the charitable company is based on having free reserves at a level sufficient to provide six months cover in the event of delays in receipt of unrestricted grants or accrued legacies, together with a sum required to meet any capital commitments. As at 31 March 2018, this would equate to £694,623 (2017 £654,741). The definition of free reserves for these purposes excludes fixed assets and investments so represents net current assets on all funds, excluding the defined pension scheme liability, and on this basis there is a surplus at the balance sheet date of £558,931 (2017 £1,594,729).

#### Investment policy

Age UK Northamptonshire's Constitution provides it with unrestricted powers to invest. Its investments are managed at the discretion of fund managers appointed by the Board of Trustees. Trustees require

## Report of the Trustees (continued)

fund managers to maintain a balance of investments between equities, in a range of markets, and gilts or cash-like products. Fund managers must be mindful of the Trustees ethical concerns particularly in respect of the impact of those investments on the lives of older people.

### **Risk Management**

The Trustees had previously developed a risk management framework and assess risk on a regular basis through risk assessments by appropriately trained members of staff. The Trustees have now reviewed our risk management framework and updated it to address strategic risks and to be fit for purpose for the 2018/19 financial year. The risks are organised under the six main objectives of the new strategic plan.

This new Corporate risk register, its content and scoring, is now reviewed and updated each quarter for oversight by the Finance and Resources Committee and by the Board of Trustees. This risk register will also form an active part of Senior Manager meetings. Risks are identified and prioritised based upon the likelihood of occurrence and the severity of the impact. Items of high risk are given immediate attention. Measures to eliminate or mitigate the risks are then identified together with proposed actions.

### **Pay Policy for Senior Staff and Remuneration**

The Senior Managers are the senior management personnel in charge of directing and controlling, running and operating the Charity on a day-to-day basis. The pay of Senior Managers has been reviewed against the marketplace for Age UK Executives and other charitable organisations of a similar size in the last year. They will be subject to an annual review in future. The Chief Executive's position and the Director of Finance's position have both been advertised and filled from external candidates during the last year.

Age UK Northamptonshire is committed to the fair remuneration of its paid staff and within the scope of its resources and as far as possible, to set pay at a level which will attract and retain talented and committed people for the benefit of older people in Northamptonshire. A Job Evaluation scheme is in place to ensure fairness in the distribution of pay. The level of pay is set by Trustees each year having regard to the available resources and comparable levels of pay elsewhere.

There has been a general uplift in pay and improvement in terms and conditions for staff at Age UK Northamptonshire during the year. Salaries and wages, together with those eligible for the National Living Wage, increased modestly during the year.

## **Achievements and Performance**

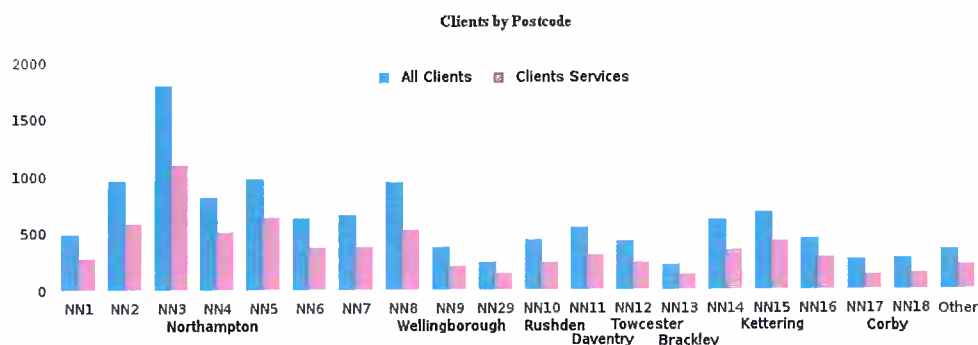
### **Overall**

The total number of active client accounts for Age UK Northamptonshire rose from 13,736 at the start of April 2017 to 14,803 by the end of March 2018. This included 4,427 new client accounts (up from 3,610 in 2017/18). The service with the strongest numbers of new clients continued to be our Advice and Information (1,972 new clients) during the year. Age UK Northamptonshire also supported 544 clients who were deceased during the year.

The population of those in the County of Northamptonshire over the age of 65 was 117,400 in 2014, 16.6% of a total estimated population of 706,600. (Northamptonshire also has the fastest growing population of over 65 year olds of any County area in the country.) Given the number of client accounts that Age UK Northamptonshire supported last year, this is a high percentage of the eligible population and demonstrates the extensive level of support that Age UK Northamptonshire is able to provide for its community. It is also positive to note that our services are accessed from across the County, with a good spread of client postcodes reflecting the centres of population and also more rural areas and villages.



## Report of the Trustees (continued)



The charts below show the gender and ethnicity of our clients in the year. These records indicate that ethnicity, where declared, does match the profile of the older population from which our clients are drawn. In the UK, according to Northamptonshire's Joint Strategic Needs Analysis, the population of non-White older people is around 5%. The gender balance of clients continues to improve from last year with a higher proportion of known male clients. The totals being 50% female, 33% male and 17% not stated.



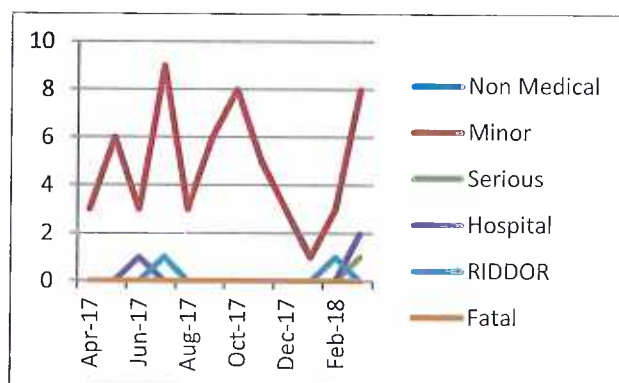
Satisfaction with Age UK Northamptonshire services continued at a high level. Highlights included the following:

| Service                             | Satisfaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Information and Advice              | <ul style="list-style-type: none"> <li>100 percent user satisfaction</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Wellbeing and Day centre clients    | <ul style="list-style-type: none"> <li>100 per cent of clients said they were treated courteously, their queries, questions and requests were dealt with promptly and accurately and were spoken to in a respectful manner.</li> <li>94 percent were comfortable making a complaint if they needed to</li> <li>90 percent felt they were given good information on other services which were not Age UK Northamptonshire</li> <li>93 per cent thought our communication easy to understand and over 95% thought the print was large enough</li> </ul> |
| Extra Help at the End of Life       | <ul style="list-style-type: none"> <li>100 per cent satisfaction rate 2018. (2017 satisfaction rate was 98.5 per cent)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Hospital Discharge & Community Team | <ul style="list-style-type: none"> <li>85 per cent satisfaction</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Community Care Team                 | <ul style="list-style-type: none"> <li>94 per cent considered the care to be very or quite helpful and 96 per cent would recommend the services to others</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                  |
| Handyperson                         | <ul style="list-style-type: none"> <li>100 percent were satisfied with the service they received</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Toenail cutting                     | <ul style="list-style-type: none"> <li>98 percent would recommend the service</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Carer Sitting Service               | <ul style="list-style-type: none"> <li>95 percent would recommend the service</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

## Report of the Trustees (continued)

### Health and Safety

The graph below highlights the trend of accidents reported for Age UK Northamptonshire over the last twelve-month period. We record when people fall ill while they are with us during the day, when they are taken to hospital or when they suffer any other form of incident or accident. These are reported to Trustees. The incident log shows that the vast majority are minor incidents. We are pleased that the number of serious incidents and RIDDOR reportable incidents is very low over the course of the year.



### Advice and Information

Most of the people who approached Age UK Northamptonshire for a variety of services will have spoken to one of our trained advisors. Our Advisors provide good quality, targeted advice essential to the well-being of older people. They carried out:

- 1,916 Home Visits
- 446 Attendance Allowance form completion, of which all but two were successful at the first attempt
- 130 Pension Credit claims made
- 85 Council Tax Reduction claims made
- 503 Benefit Assessments completed
- 128 people helped to obtain a Blue Badge parking permit
- Our Access Team had 1,750 email contacts and 25,715 telephone contacts

Our work on assisting benefit claims is a major source of income for individuals and for the County overall. £2,111,967 in benefits were claimed successfully for 2,743 clients.

The Money Management Service made 226 client visits, an average of 22 individual clients seen each month helping clients with managing their bills, collecting cash and dealing with cases of financial abuse.

### Our Services for the NHS

Age UK Northamptonshire has a very important role to address social care needs and in particular, to support people in their home and to reduce avoidable hospital admissions. The support we give to older people most at risk helps them to regain independence and reduces the need for them to see their GP or to go into residential care. Our Hospital Discharge and Community Team supported 710 people through crisis during the year.

Our End of Life Service provides care to people in the last weeks of their life and enables them to remain at home with their loved ones. The service is funded by the NHS and contracted with private healthcare provider, PrimeCare. There were 347 accepted referrals of which 336 people left our care in 2017/18 and, of those, 233 were enabled to die at home (70%). The majority of the remaining 30% were admitted to hospital or hospice.

## Report of the Trustees (continued)

During the year, with our funders and partners, the GP federation, 3Sixty Care Partnership, our Collaborative Care Team worked with 608 people who were at risk of being admitted to hospital. We also implemented new models of working with Age UK National charity colleagues and health and social care partners locally, to establish a new Personalised Integrated Care project for Northampton and an End of Life Pathfinder project to test the applicability of the Integrated model to end of life care.

Staff in our Accident and Emergency service at Northampton General Hospital supported over 2150 patients during the year.

### Supportive Paid for Services

It is estimated that there are nearly half a million people age over 65 in England who are living with three or more significant health conditions who are also in need of help with at least three essential daily activities, such as getting out of bed, going to the toilet or getting dressed. It is not surprising that the rate of avoidable admissions to hospital has risen dramatically for older people; 107% for those aged 65-69 and 119% for older people aged 75-79 since 2003.

Age UK Northamptonshire provides a Home Care service for older people in Northamptonshire, offering help with domestic tasks including general housework, laundry, shopping, Ironing and changing beds. Other services within the home include: Toenail cutting, our Carers Register and Sitting Service and a Handyperson and Gardening support scheme.

- Last year, the Domestic Cleaning service supported 954 older people and 282 people started the service for the first time
- 99 people used our dedicated Shopping Delivery Service 32 were first time users this year
- 96 people joined our Carers Register last year
- 128 carers used our service for respite at home, 43 for the first time.
- 406 people approached our Handyperson and gardening services for the first time this year. 782 people in total used the service
- The Toenail Cutting Service registered 254 new clients bringing the total registered to 595

Many older people have complex needs including physical, sensory and memory impairments that affect their ability to cope at home and socialise in the community. Our Wellbeing, or Day, Centres promote independence, health and wellbeing for our clients and provide respite for carers at home. Last Year 214 new clients made their first visit to one of our Wellbeing or Day Care centres and 579 people regularly attended our Centres during the year.

Our Day Centres provide social, physical and mental stimulation. Our clients enjoy a range of activities that cater for their mobility and cognitive functions including: daily exercises, arts and crafts, reminiscence quizzes and carpet games. In the Summer months we also enjoyed trips for afternoon tea, visits to the ice cream parlour and relaxed afternoons on a canal boat.

Following the success of the Inspire and Include and Growing together programmes the Lifetime team have remained active in supporting the social groups that formed in the target area, Northampton East. These groups meet weekly to enjoy a variety of entertainment including lunch, discussion, games, quizzes, exercise sessions and a once-a-month day trip to one of the many historic features of Northamptonshire. As a result of the BME project run throughout 2016/17 the team have continued to work with the Asian Community in organising a monthly Curry lunch followed by Kurling which has become an important part of bringing the communities together.

We provide a very wide range of activities that are focused on preventing people from becoming isolated and vulnerable. A range of classes include Keep Fit, chair based exercise and Aquafit, Nordic Walking, Tai Chi, Get Set Go, Art, Photography, Bridge and Whist, and Family History at various levels. It is worth noting that the Tai Chi classes have grown quickly and that there are now over 100 people regularly attending the chair based exercise classes per month, including a class on recovering from stroke. Of

## Report of the Trustees (continued)

particular note is the success of the exercise classes set up in rural areas where isolation can be a problem. Examples of current popular activities are Boccia & Kurling, Curry & Kurling, OTAGO, falls prevention classes and Short mat bowls. Over the year, a total of just over 900 people regularly attended these activities.

The team also work with Care Homes taking Boccia, Kurling, Bowls and OTAGO to residents who are unable to leave the residence. We continue to support the development of Northampton Men's Sheds that now has 48 active members.

### Traded Products

The commissions from our traded products continued to decline. There is no longer an energy product and there were staff changes to the team with both the Trading Manager and the Trading Arranger leaving. Total income on our insurance and related products was £144,351, a reduction of 14.7% on the 2016/17 income of £169,287. New business fell most steeply, down to £17,763 (from £24,123 in 2016/17) and renewals business which had previously had a very strong year in 2016/17 of income of £112,329 declined to £99,614 in 2017/18.

The commissions from home and car insurance are now substantially lower than previous years and expected to reduce further from April 2018. The number of insurance offices in Age UK Brand partners has declined from 77 to 29 from 1 April 2018 and consequently the number of insurance arrangers under the Age UK national charity across the country have reduced markedly. This shrinkage of offices and staff have resulted in increased reliance on the remaining network of offices and there has been an increase in clients from across the country seeking insurance quotes from Age UK Northamptonshire. The Charity has resolved to invest in its services, to employ a new additional Trading Arranger, and to maintain its commission income for 2018/19. Pre paid funeral plans, the Lottery and ancillary products, in particular, Stairlifts from Handicare, are expected to improve income.

### Income Generation and Fundraising

Trustees, are, once again, most grateful to all who support the work of Age UK Northamptonshire, whether by giving generously through donations and legacies or supporting the Age UK Lottery, our fundraising events and our charity shops. Every single pound donated or left for us in a will or legacy makes an important positive contribution to our financial sustainability. The following donations are highlighted:

- Maud Elkington Trust - £5,000 (this is an annual donation used towards our services)
- Timken Rail - \$30,000 = £21,000 (this was a donation towards a minibus purchase). They also raised £1,742.53 in addition as our Charity of the Year.
- Venton Trust - £10,000 towards redecoration works/new boiler
- £2,000 from the Stockburn Memorial Trust towards replacement windows at the Four Seasons.
- Ben Gifford raised £553.06. from his Black tie annual event
- Barclaycard who donated Easter Eggs to our Venton clients and raised £1,020.92 from the Barclaycard Cake stall.
- Charity of Year Donation from Richmond Village, £1103.50
- Chicago Marathon by Ralph Stahmann who raised £260.00
- Big Knit reached a target of 8114 hats and raised £2,280.50
- Dr Sola did the Tough Mudder Challenge and with his colleagues raised £418.75
- Waitrose raised £484.00.
- Tollers – Took Christmas gifts for our Venton clients.
- Lions Club of Northampton who donated food bags at Christmas
- Northampton college students who did a pub quiz.
- Timken Grange who made us their Charity of Year



## Report of the Trustees (continued)

We are also very grateful to the Rotary Club of Kettering who arranged for the refurbishment of the bathroom at our Four Seasons Day Centre.

Our retail division, consisting of 12 shops had a challenging year. Turnover of donated goods rose to £561,310 for 2017/18 up from £526,298 in 2016/17. However, this masked a further increase in shop and shop related expenditure that resulted in an overall loss for the retail division in the year, estimated to be £52,384. Gift Aid income from the shops declined to £14,442 from £17,587 in 2016/17. Analysis shows that four of the shops made a net negative contribution and that central support costs had risen to £60,853. The process to review and address the costs of the Division were started in February 2018 and have now resulted in three shop closures and a change from the sale of donated furniture goods to new furniture goods by our Wellingborough store.

Our St Giles street shop celebrated 25 years of trading on Friday 21st July 2017. Local MP, Michael Ellis, Trustees, and previous managers, attended the celebration in the shop. We put credit card machine in all shops towards the end of the year that helped increase sales across all the shops.

### Wider Influence

Age UK Northamptonshire campaigned with the national charity Age UK to improve the social care system in this country, as many older people do not get the help and support they need. On Friday 9th February, Age UK Northamptonshire took part in a "listening event" in Towcester.

There was the 100th anniversary of some women getting the vote. Phyllis Churchman (who died in June 2018) attended our William and Patricia Venton Centre in Northampton for many years. She was interviewed on BBC Radio Northampton because she was born in 1919. She also talked to Age UK Northamptonshire about being "nearly 100 years old" and the positive difference going to the day centre makes to her life.

Carers Week, we had a focus on building Carer Friendly Communities through a number of activities at our Wellbeing (Day) centres. Four Seasons are held an 'owls to behold' exhibition in the centre everyday as well as offering foot spas, nail care, information packs and coffee mornings to run in conjunction with the new café and Spring Gardens and Chappell House held a coffee morning for the carers of clients.

During Scams Awareness Week Age UK Northamptonshire colleagues worked with Northamptonshire Trading Standards to raise awareness of scams this year by giving advice, reassurance and information to older people in the County who have been or could become victims of scammers.

There was a Northamptonshire Memory Day, Grosvenor Centre organised by the Dementia Friendly Community of Practice (CoP).

'No One Should have No One' (in conjunction with Age UK nationally) helped to raise the issue of loneliness through social media advertising and the website. Staff also took part in a phone call checklist for vulnerable clients over the Christmas break period.

### Staff and Volunteers

Trustees would like to thank the wonderful team of staff and volunteers who have given so much time, support, commitment, enthusiasm and compassion and care throughout the last year.

There were 184 salaried full and part time staff with Age UK Northamptonshire on 31 March 2018. There were 89 home help workers. Staff turnover (salaried) was just over 12% for the year with 29 salaried new starters, 16 casual new starters, 23 salaried leavers and 8 casual leavers.

There were 518 volunteers at 31 March 2018. They have donated an estimated 2,072 hours during the year. Recruitment was made more streamlined to seek individuals for specific needs. 125 were



## Report of the Trustees (continued)

inducted by our Volunteer Co-ordinator and over the year we recruited 144. During the year, 143 volunteers stopped volunteering with us. The main reasons were:

- Poor health
- Placement came to an end
- Befriending client in an informal, private arrangement
- Found employment
- Attending university

A positive aspect of volunteering is that many volunteers leave for employment that they have secured as a result of building self-confidence and work-based skills with Age UK Northamptonshire.

### Plans for Future Periods

The Board of Trustees, supported by its new Chief Executive, have continued to develop and refine its strategy to take forward the Age UK Northamptonshire services in 2018/19. The strategy is based on the six strategic objectives agreed by the Board on 11 July 2018:

- Responsive advice and information.
- High quality NHS funded services.
- Popular charged for services.
- Competitive traded products.
- Strong governance, compliance and skills.
- Community funding support.

Looking forward, all policies and procedures are being reviewed to bring them up to date and to ensure that they are fit for purpose, not least in relation to the new General Data Protection Regulations that came into force on 25th May 2018. All managers have also received training and guidance on ensuring compliance with the new consent regulations. Age UK (the National Charity) have introduced new Organisational Quality Standards, which all Age UK Brand partners (including Age UK Northamptonshire) are, expected to achieve. This work also progressed very satisfactorily.

The Board has also taken the decision to invest in IT and HR infrastructure and Office 365 will be implemented for the whole organisation together with a flexible human resources support system based on Microsoft Sharepoint and Office 365. The SAGE system was brought into the Finance Department in early 2018 and the transition from the previous system will be completed in the early months of 2018/19. This will markedly improve efficiency in the accounts department and improve the timeliness and accuracy of management accounting and reporting.

Trustees are also concerned to rebuild the free and accessible reserves available in order to support cash flow and future investment opportunities. They are actively considering the sale of the Billing Road premises dependent on the ability to access alternative accommodation on acceptable terms.

The Personalised Integrated Care and Later Life projects are due to complete in March 2019. This forthcoming year is also important to look forward with our health funders and partners to work with them to develop our services and to continue, all being well, our contracts and services on End of Life, Hospital Discharge and CCT.

The local government reorganisation in Northamptonshire will result in the demise of Northamptonshire County Council and Borough Councils and their replacement by two Unitary authorities. This will undoubtedly lead to many changes in what has been funded previously and what will be funded in future. Age UK Northamptonshire will invest time in the stakeholder consultation process that both potential councils will be undertaking as they form their new organisations and determine their future strategy.

## Report of the Trustees (continued)

It is expected that there will be natural turnover in the Board of Trustees in 2018/19. The organisation will be looking to recruit new trustees. Key areas of experience will be sought; knowledge of the NHS or statutory health provision, commercial, legal and financial skills. This reflects the forward strategic opportunities and challenges facing Age UK Northamptonshire in future.

### Acknowledgements

Trustees thank Anne Goodman for her continued support and commitment as our President.

Trustees appreciate the work of everybody connected with Age UK Northamptonshire and its services for older people and who help to enhance its standing in our community, whether staff or volunteers. Trustees are pleased to welcome Christopher Duff as Chief Executive and Heather Whyment as Director of Finance and are confident that their knowledge, skills and experience have markedly strengthened the capability and capacity of the organisation. Trustees are very grateful for the work of Liam Condron, our outgoing Chief Officer who retired in January 2018 after 25 years' service with Age UK Northamptonshire and its predecessor bodies. Neil Johnson, Director of Finance, also left the organisation in November 2017.

### Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year that 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 the year. In preparing these financial statements, the Trustees are required to:

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

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

The Trustees confirm that:

- in so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

## Report of the Trustees (continued)

This report was approved by the Board of Trustees and have been signed on their behalf by Julia Faulkner.



Julia Faulkner  
Chair of Trustees  
Date: 15/10/2018



## Independent auditor's report to the members of Age UK Northamptonshire (Limited by guarantee)

### Opinion

We have audited the financial statements of Age UK Northamptonshire (Limited by guarantee) (the 'parent charitable company') and its subsidiary undertaking (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Income and Expenditure Account, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2018 and of the group's incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Who we are reporting to

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Conclusions relating to going concern

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

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



## Independent auditor's report to the members of Age UK Northamptonshire (Limited by guarantee) (continued)

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, set out on pages 3 to 15 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Report of the Trustees incorporating the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Report of the Trustees incorporating the Strategic Report has been prepared in accordance with applicable legal requirements.

### Matter on which we are required to report under the Companies Act 2006

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

### 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 by the parent charitable company, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

### Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial





## Independent auditor's report to the members of Age UK Northamptonshire (Limited by guarantee) (continued)

statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

*Grant Thornton UK LLP*

Gareth Norris FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Milton Keynes  
Date: 19 OCTOBER 2018

## Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

The principal accounting policies of the charitable group have remained unchanged from the previous year and are set out below.

The company's functional and presentational currency is GBP.

### **Basis of consolidation**

The group financial statements consolidate those of the charitable company and of its subsidiary undertaking. Acquisitions are accounted for under the acquisition method. The results of the charitable company's subsidiary have been incorporated on a line by line basis. Surpluses or deficits on intra group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition at that date.

### **Going concern**

The trustees have considered the working capital requirements of the charitable company, and accordingly consider that the ability remains to meet all liabilities as they fall due. Thus the going concern basis continues to be adopted in preparing the financial statements.

## Principal accounting policies (continued)

### Incoming resources

All income is recognised once the charitable group has entitlement to the income, it is probable that income will be received and the amount of the income receivable can be measured reliably.

### Provision of services

Revenue from services provided by the charitable group is recognised when the charitable group has performed its obligations and in exchange obtained the right to consideration.

### Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

For legacies, entitlement is taken as the earlier of the date on which either: the charitable group is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts-in-kind are accounted for at the Trustees' estimate of value to the charitable group or sale value as follows:

- goods for resale are accounted for when sold
- gifts of fixed assets for charity use are accounted for immediately on receipt.

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. An equivalent amount is charged as expenditure. Voluntary help is not included as income.

Donations under Gift Aid, together with the associated income tax recoveries, are credited as income when donations are received.

### Grants receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

### Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

### Rent receivable

Rental income is accounted for when receivable.

## Principal accounting policies (continued)

### Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable group to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charitable group's shops.
- Charitable activities comprises those costs incurred by the charitable group 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 charitable group and include the audit fees and costs linked to the strategic management of the charitable group.
- 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. Indirect staff costs are apportioned on the basis of relative payroll costs and other costs are apportioned as appropriate.

### Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charitable group.

Designated funds are unrestricted funds which have been designated for specific purposes by the trustees.

Endowment funds are held as capital. The income generated therefrom is to be used for specified purposes laid down by the donor.

### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost and net of depreciation. Tangible fixed assets are capitalised where the cost is in excess of £100.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets held for charity use, other than freehold land, by equal annual instalments over their expected useful lives. The periods generally applicable are:

|                                                       |               |
|-------------------------------------------------------|---------------|
| Freehold buildings                                    | 10 - 50 years |
| Furniture, fittings and equipment excluding computers | 5 - 10 years  |
| Computers                                             | 3 years       |
| Motor vehicles                                        | 3 - 6 years   |

## Principal accounting policies (continued)

### Investments

Assets held for investment purposes are valued at mid offer price, being readily available market value, at the balance sheet date.

Net gains and losses arising on revaluations and disposals during the year are included in the statement of financial activities.

### Stocks

Stocks are stated at the lower of cost and net realisable value.

### Debtors

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

### Cash at bank and in hand

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

### Creditors and provisions

Creditors and provisions are recognised where the charitable group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Retirement benefits

#### Defined Contribution Pension Scheme

The pension costs charged to the Statement of Financial Activities represent the amount of the contributions payable to the scheme in respect of the accounting period.

#### Defined Benefit Pension Scheme

The charitable company operates a defined benefit pension scheme (Local Government Pension Scheme). The charitable company is able to identify its share of the scheme assets and liabilities and the requirements of FRS 102 section 28 have been followed.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at the appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the charitable group.

The current service cost and costs from settlements and curtailments are charged to resources expended. Past service costs are spread over the period until the benefit increases vest. Interest charged on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are reported in the Statement of Financial Activities.



## Principal accounting policies (continued)

### Operating leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Sources of material estimation uncertainty are as follows:

#### Defined Benefit Obligation

The calculation of the required provision is based on an experts valuation that relies upon actuarial assumptions for growth and discount rates among others.

The assumption made are disclosed in note 20.

#### Legacy income

Legacy income is recognised when entitlement exists, receipt is probable and the amount to be received can be measured with sufficient reliability. The latter is based on the estimate total of the assets and liabilities in the estate which may mean that the actual outcome will differ from that expected.

Subsequent events (if any) in relation to the legacy income has been disclosed within the subsequent events note.

## Consolidated statement of financial activities

|                                                 | Note | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total<br>2018<br>£ | Total<br>2017<br>£ |
|-------------------------------------------------|------|----------------------------|--------------------------|--------------------------|-------------------------|--------------------|--------------------|
| <b>Income:</b>                                  |      |                            |                          |                          |                         |                    |                    |
| Donations and legacies                          |      | 64,654                     | -                        | -                        | -                       | 64,654             | 501,193            |
| Income from other trading activities:           |      |                            |                          |                          |                         |                    |                    |
| Shop income from donated and bought in products |      | 610,647                    | -                        | -                        | -                       | 610,647            | 590,406            |
| Fundraising                                     |      | 2,827                      | -                        | -                        | -                       | 2,827              | 4,629              |
| Insurance commission                            |      | 144,351                    | -                        | -                        | -                       | 144,351            | 179,151            |
| Provision of other services                     |      | 1,346                      | -                        | -                        | -                       | 1,346              | 460                |
| Investment income                               | 3    | 8,684                      | -                        | -                        | 12,090                  | 20,773             | 31,360             |
| Income from charitable activities:              |      |                            |                          |                          |                         |                    |                    |
| Provision of home care services                 |      | 1,417,069                  | -                        | -                        | -                       | 1,417,069          | 1,411,280          |
| Provision of active ageing services             |      | 60,792                     | -                        | -                        | -                       | 60,792             | 59,406             |
| Provision of advisory services                  |      | 15,388                     | -                        | 40,000                   | -                       | 55,388             | 67,329             |
| Provision of day care services                  |      | 897,861                    | -                        | 20,000                   | -                       | 917,861            | 1,134,856          |
| Rents receivable                                |      | 12,771                     | -                        | -                        | -                       | 12,771             | 14,780             |
| Provision of other services                     |      | 3,322                      | -                        | -                        | -                       | 3,322              | 32,607             |
| Other incoming resources:                       |      |                            |                          |                          |                         |                    |                    |
| Profit on disposal of tangible fixed assets     |      | 10,700                     | -                        | -                        | -                       | 10,700             | -                  |
| <b>Total income</b>                             | 1    | <b>3,250,412</b>           | <b>-</b>                 | <b>60,000</b>            | <b>12,090</b>           | <b>3,322,502</b>   | <b>4,027,457</b>   |

## Consolidated statement of financial activities (continued)

|                                                                                      | Note | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total<br>2018<br>£ | Total<br>2017<br>£ |
|--------------------------------------------------------------------------------------|------|----------------------------|--------------------------|--------------------------|-------------------------|--------------------|--------------------|
| <b>Expenditure</b>                                                                   |      |                            |                          |                          |                         |                    |                    |
| Costs of raising funds:                                                              |      |                            |                          |                          |                         |                    |                    |
| Cost of raising funds – excluding shops                                              |      | 129,166                    | -                        | -                        | -                       | 129,166            | 84,235             |
| Cost of raising funds – shops                                                        |      | 603,496                    | -                        | -                        | -                       | 603,496            | 663,964            |
| Investment management fees                                                           |      | -                          | -                        | -                        | 3,069                   | 3,069              | 5,567              |
| <b>Expenditure on charitable activities</b>                                          |      |                            |                          |                          |                         |                    |                    |
| Home care services                                                                   |      | 1,704,792                  | -                        | -                        | -                       | 1,704,792          | 1,413,847          |
| Active ageing services                                                               |      | 153,965                    | -                        | -                        | -                       | 153,965            | 240,529            |
| Advisory services                                                                    |      | 141,290                    | -                        | 40,000                   | -                       | 181,290            | 274,008            |
| Day care services                                                                    |      | 1,256,264                  | -                        | 20,000                   | 18,525                  | 1,294,789          | 1,124,689          |
| Cottages                                                                             |      | 4,064                      | 2,172                    | -                        | -                       | 6,236              | 5,531              |
| <b>Total expenditure</b>                                                             | 4    | <u>3,993,037</u>           | <u>2,172</u>             | <u>60,000</u>            | <u>21,594</u>           | <u>4,076,803</u>   | <u>3,812,370</u>   |
| <b>Net income/(expenditure) before transfers and other recognised gains/(losses)</b> |      | (742,625)                  | (2,172)                  | -                        | (9,504)                 | (754,301)          | 215,087            |
| Transfers between funds                                                              |      | -                          | -                        | -                        | -                       | -                  | -                  |
| <b>Net incoming/(outgoing) resources for the year</b>                                |      | <u>(742,625)</u>           | <u>(2,172)</u>           | -                        | <u>(9,504)</u>          | <u>(754,301)</u>   | <u>215,087</u>     |
| (Losses) / gains on investments                                                      |      | -                          | -                        | -                        | (2,810)                 | (2,810)            | 168,333            |
| <b>Other recognised gains and losses</b>                                             |      |                            |                          |                          |                         |                    |                    |
| Return on pension asset (lower than)/in excess of net interest                       |      | (4,000)                    | -                        | -                        | -                       | (4,000)            | 137,000            |
| Actuarial gains on defined benefit pension scheme                                    | 20   | (248,000)                  | -                        | -                        | -                       | (248,000)          | 103,000            |
| <b>Net movements in funds</b>                                                        |      | <u>(994,625)</u>           | <u>(2,172)</u>           | -                        | <u>(12,314)</u>         | <u>(1,009,111)</u> | <u>623,420</u>     |
| Fund balances at 31 March 2017                                                       |      | <u>3,142,700</u>           | <u>96,383</u>            | -                        | <u>1,844,972</u>        | <u>5,084,055</u>   | <u>4,460,635</u>   |
| <b>Fund balances at 31 March 2018</b>                                                |      | <u>2,148,075</u>           | <u>94,211</u>            | -                        | <u>1,832,658</u>        | <u>4,074,944</u>   | <u>5,084,055</u>   |

The financial activities above represent the incoming and outgoing resources relating to the charitable group. All incoming resources and resources expended derive from continuing activities. The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated income and expenditure account

|                                                | 2018<br>£               | 2017<br>£             |
|------------------------------------------------|-------------------------|-----------------------|
| Total income                                   | 3,322,502               | 4,027,457             |
| Total expenditure                              | <u>(4,076,803)</u>      | <u>(3,812,370)</u>    |
| <b>Net (expenditure) / income for the year</b> | <u><b>(754,301)</b></u> | <u><b>215,087</b></u> |

Total income comprises £3,250,412 (2017: £3,432,665) for unrestricted funds, £60,000 (2017: £569,899) for restricted funds and £Nil (2017: £9,213) for designated funds and £12,090 (2017: £15,680) for endowment funds. A detailed analysis of income by source is provided in the statement of financial activities.

Detailed analyses of expenditure are provided in the statement of financial activities.

Total expenditure comprises £3,993,037 (2017: £3,175,251) of net expenditure of unrestricted funds, £60,000 (2017: £610,899) of net expenditure of restricted funds, £2,172 (2017: £2,173) of net expenditure of designated funds and £21,594 (2017: £24,047) of net expenditure of endowment funds, as shown in the statement of financial activities.

The summary income and expenditure account is derived from the statement of financial activities on pages 24 and 25 which, together with the notes on pages 30 to 45, provides full information on the movements during the year and on all the funds of the charitable group.

The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated balance sheet


|                                                          | Note | 2018<br>£        | 2017<br>£        |
|----------------------------------------------------------|------|------------------|------------------|
| <b>Fixed assets</b>                                      |      |                  |                  |
| Tangible assets                                          | 7    | 2,513,510        | 2,232,015        |
| Investments                                              | 8    | <u>1,103,503</u> | <u>1,106,311</u> |
|                                                          |      | <b>3,617,013</b> | <b>3,338,326</b> |
| <b>Current assets</b>                                    |      |                  |                  |
| Stocks                                                   | 9    | 14,942           | 14,052           |
| Debtors                                                  | 10   | 280,960          | 427,953          |
| Cash at bank and in hand                                 |      | <u>451,483</u>   | <u>1,286,365</u> |
|                                                          |      | 747,385          | 1,728,370        |
| <b>Creditors: amounts falling due within one year</b>    | 11   | <u>(188,454)</u> | <u>(133,641)</u> |
| <b>Net current assets</b>                                |      | <u>558,931</u>   | <u>1,594,729</u> |
| <b>Net assets excluding pension asset/(liability)</b>    |      | 4,175,944        | 4,933,055        |
| <b>Deferred benefit pension scheme asset/(liability)</b> | 20   | <u>(101,000)</u> | <u>151,000</u>   |
| <b>Total net assets</b>                                  |      | <u>4,074,944</u> | <u>5,084,055</u> |
| <b>Capital funds</b>                                     |      |                  |                  |
| Permanent endowment fund                                 | 12   | 1,832,658        | 1,844,972        |
| <b>Income funds</b>                                      |      |                  |                  |
| Restricted funds                                         | 13   | -                | -                |
| Unrestricted funds:                                      |      |                  |                  |
| Pension reserve                                          | 20   | (101,000)        | 151,000          |
| Designated funds                                         | 14   | 94,211           | 96,383           |
| General fund                                             | 15   | <u>2,249,075</u> | <u>2,991,700</u> |
| <b>Total funds</b>                                       | 16   | <u>4,074,944</u> | <u>5,084,055</u> |

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by:

15/10/2018



J Faulkner  
Trustee



A Rees  
Trustee

Company number: 03294424

The accompanying accounting policies and notes form an integral part of these financial statements.




## Charity balance sheet

|                                                         | Note | 2018<br>£        | 2017<br>£        |
|---------------------------------------------------------|------|------------------|------------------|
| <b>Fixed assets</b>                                     |      |                  |                  |
| Tangible assets                                         | 7    | 2,513,510        | 2,232,015        |
| Investments                                             | 8    | 1,103,505        | 1,106,313        |
|                                                         |      | <b>3,617,015</b> | <b>3,338,328</b> |
| <b>Defined benefit surplus</b>                          |      |                  |                  |
| <b>Current assets</b>                                   |      |                  |                  |
| Stocks                                                  | 9    | -                | 563              |
| Debtors                                                 | 10   | 305,455          | 476,598          |
| Cash at bank and in hand                                |      | 431,351          | 1,246,206        |
|                                                         |      | <b>736,806</b>   | <b>1,723,367</b> |
| <b>Creditors: amounts falling due within one year</b>   | 11   | <b>(177,877)</b> | <b>(128,640)</b> |
| <b>Net current assets</b>                               |      | <b>558,929</b>   | <b>1,594,727</b> |
| <b>Net assets excluding pension asset/(liability)</b>   |      | <b>4,175,944</b> | <b>4,933,055</b> |
| <b>Defined benefit pension scheme asset/(liability)</b> | 20   | <b>(101,000)</b> | <b>151,000</b>   |
|                                                         |      | <b>4,074,944</b> | <b>5,084,055</b> |
| <b>Capital funds</b>                                    |      |                  |                  |
| Permanent endowment fund                                | 12   | 1,832,658        | 1,844,972        |
| <b>Income funds</b>                                     |      |                  |                  |
| Restricted funds                                        | 13   | -                | -                |
| Unrestricted funds:                                     |      |                  |                  |
| Pension reserve                                         | 20   | (101,000)        | 151,000          |
| Designated funds                                        | 14   | 94,211           | 96,383           |
| General fund                                            | 15   | 2,249,075        | 2,991,700        |
| <b>Total funds</b>                                      | 16   | <b>4,074,944</b> | <b>5,084,055</b> |

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by:

15/10/2018

  
J Faulkner  
Trustee

  
A Rees  
Trustee

Company number: 03294424

The accompanying accounting policies and notes form an integral part of these financial statements.

## Consolidated cash flow statement

|                                                                           | Note | 2018<br>£        | 2017<br>£        |
|---------------------------------------------------------------------------|------|------------------|------------------|
| <b>Cash provided by operating activities:</b>                             | 17   | (410,602)        | 953,349          |
| <b>Cash flows from investing activities:</b>                              |      |                  |                  |
| Interest income                                                           |      | 25,353           | 31,360           |
| Purchase of tangible fixed assets                                         |      | (453,504)        | (63,289)         |
| Purchase of investments                                                   |      | -                | (104,536)        |
| Sale of investments                                                       |      | -                | 124,834          |
| Sale of tangible fixed assets                                             |      | 3,871            | -                |
| <b>Cash used in investing activities</b>                                  |      | <b>(424,280)</b> | <b>(11,631)</b>  |
| <b>Increase/(decrease) in cash and cash equivalents in the year</b>       |      | <b>(834,882)</b> | <b>941,718</b>   |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |      | <b>1,286,365</b> | <b>344,647</b>   |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |      | <b>451,483</b>   | <b>1,286,365</b> |

The accompanying accounting policies and notes form an integral part of these financial statements.

## Notes to the financial statements

### 1 Analysis of total income

|                            | Income<br>From other<br>trading<br>activities<br>£ | Income<br>from<br>charitable<br>activities<br>£ | 2018<br>£ | 2017<br>£ |
|----------------------------|----------------------------------------------------|-------------------------------------------------|-----------|-----------|
| Grants (note 2)            | -                                                  | 1,389,246                                       | 1,389,246 | 982,811   |
| Provision of services      | -                                                  | 992,841                                         | 992,841   | 1,604,324 |
| Donations                  |                                                    | 77,847                                          | 77,847    | 414,079   |
| Legacies                   |                                                    | (13,193)                                        | (13,193)  | 87,114    |
| Fundraising                | 2,827                                              | -                                               | 2,827     | 4,629     |
| Shop sales and commissions | 754,998                                            | -                                               | 754,998   | 769,557   |
| Other sales                | 1,346                                              | -                                               | 1,346     | 24,182    |
| Rents receivable           | -                                                  | 12,771                                          | 12,771    | 14,780    |
| Investment income (note 3) | -                                                  | 20,773                                          | 20,773    | 31,360    |
| Shopping service           | -                                                  | 72,346                                          | 72,346    | 85,736    |
| Other income               | -                                                  | 10,700                                          | 10,700    | 8,885     |
| Total                      | 759,171                                            | 2,563,331                                       | 3,322,502 | 4,027,457 |

#### Donated facilities

Shop sales represent the amount received for goods donated to the charitable company free of charge.

### 2 Grant income

Grants receivable during the year were as follows:

|                                   | 2018<br>£ | 2017<br>£ |
|-----------------------------------|-----------|-----------|
| Northamptonshire County Council   | 290,402   | 374,948   |
| Northamptonshire NHS              | 452,698   | 438,159   |
| Kettering Borough Council         | 20,000    | 28,000    |
| Department for Transport          | 9,278     | 10,421    |
| Northampton Borough Council (NBC) | 40,000    | 53,750    |
| Age UK                            | 105,850   | 64,308    |
| A & E Pilot (NGH)                 | 17,250    | 7,000     |
| Nestor Prime Care                 | 435,550   | -         |
| Other                             | 18,218    | 6,225     |
|                                   | 1,389,246 | 982,811   |

### 3 Investment income

Investment income comprises income from:

|                    | 2018<br>£     | 2017<br>£     |
|--------------------|---------------|---------------|
| Listed investments | 20,773        | 31,360        |
|                    | <u>20,773</u> | <u>31,360</u> |

### 4 Analysis of total expenditure

|                                      | Cost of raising funds<br>£ | Expenditure on charitable activities<br>£ | Governance costs<br>£ | 2018<br>Total<br>£ | 2017<br>Total<br>£ |
|--------------------------------------|----------------------------|-------------------------------------------|-----------------------|--------------------|--------------------|
| Salaries                             | 411,643                    | 2,322,327                                 | -                     | 2,733,970          | 2,602,683          |
| Training                             | -                          | 9,008                                     | -                     | 13,426             | 15,078             |
| Travel                               | 2,826                      | 139,581                                   | -                     | 142,407            | 139,029            |
| Recruitment                          | -                          | 19,817                                    | -                     | 19,817             | 15,123             |
| Subscriptions and donations          | -                          | 13,051                                    | -                     | 13,051             | 6,885              |
| Volunteer expenses                   | 1,426                      | 9,237                                     | -                     | 10,663             | 13,940             |
| Accommodation                        | 255,555                    | 135,953                                   | -                     | 391,508            | 363,710            |
| Printing, stationery and advertising | 1,956                      | 15,272                                    | -                     | 17,228             | 21,101             |
| Postage                              | 446                        | 17,968                                    | -                     | 18,414             | 11,787             |
| Repairs and maintenance              | 20,682                     | 75,589                                    | -                     | 96,271             | 33,938             |
| Telephone                            | 3,986                      | 28,229                                    | -                     | 32,215             | 34,983             |
| Legal and professional               | 4,040                      | 46,290                                    | 25,663                | 75,993             | 51,560             |
| Vehicle costs                        | 4,408                      | 90,500                                    | -                     | 94,908             | 107,336            |
| Food for lunches/coffee bar          | 152                        | 84,978                                    | -                     | 85,130             | 89,864             |
| Depreciation                         | 21,514                     | 149,266                                   | -                     | 170,780            | 120,802            |
| IT costs                             | 5,655                      | 47,830                                    | -                     | 53,485             | 32,640             |
| Shopping service                     | -                          | 54,568                                    | -                     | 54,568             | 69,061             |
| Bank charges                         | 283                        | 4,218                                     | -                     | 4,501              | 3,484              |
| Shop expenses                        | -                          | 25,557                                    | -                     | 25,557             | 26,310             |
| Donations paid                       | -                          | -                                         | -                     | -                  | 15,557             |
| Sundry expenses                      | 1,159                      | 6,039                                     | -                     | 7,198              | 37,499             |
|                                      | <u>735,731</u>             | <u>2,663,228</u>                          | <u>25,663</u>         | <u>4,076,803</u>   | <u>3,812,370</u>   |

#### 4 Analysis of total resources expended (continued)

Support costs are included as follows:

|                                                                       | Cost of<br>raising<br>funds<br>£ | Expenditure<br>on charitable<br>activities<br>£ | Governance<br>costs<br>£ | 2018<br>Total<br>£ | 2017<br>Total<br>£ |
|-----------------------------------------------------------------------|----------------------------------|-------------------------------------------------|--------------------------|--------------------|--------------------|
| Salaries of general management,<br>finance and central services staff | 85,966                           | 312,025                                         | -                        | 397,991            | 424,923            |
| Other costs                                                           | 65,079                           | 236,212                                         | -                        | 301,291            | 212,874            |
|                                                                       | <u>151,045</u>                   | <u>548,237</u>                                  | <u>-</u>                 | <u>699,282</u>     | <u>637,797</u>     |

Total resources expended include:

|                                                       | 2018<br>£      | 2017<br>£      |
|-------------------------------------------------------|----------------|----------------|
| Auditor's remuneration – audit fee                    | 14,110         | 14,150         |
| Auditor's remuneration – other services               | 770            | 770            |
| Auditor's remuneration – taxation compliance services | 2,000          | 2,000          |
| Hire of plant and machinery                           | 15,158         | 20,480         |
| Other operating lease rentals                         | <u>176,172</u> | <u>177,145</u> |

#### 5 Employees

|                       | 2018<br>£        | 2017<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 2,187,610        | 2,426,114        |
| Social security costs | 115,031          | 106,392          |
| Other pension costs   | <u>43,171</u>    | <u>70,177</u>    |
|                       | <u>2,345,812</u> | <u>2,602,683</u> |

The average number of employees calculated on a full time equivalent basis during the year, analysed by function, was as follows:

|                               | 2018<br>Number | 2017<br>Number |
|-------------------------------|----------------|----------------|
| Direct charitable purposes    | 64             | 90             |
| Fundraising and publicity     | 24             | 20             |
| Management and administration | <u>27</u>      | <u>17</u>      |
|                               | <u>115</u>     | <u>127</u>     |



## 5 Employees (continued)

The average number of employees calculated on a head count basis during the year, analysed by function, was as follows:

|                               | 2018<br>Number | 2017<br>Number |
|-------------------------------|----------------|----------------|
| Direct charitable purposes    | 326            | 294            |
| Fundraising and publicity     | 29             | 30             |
| Management and administration | 22             | 21             |
|                               | <u>377</u>     | <u>345</u>     |

No employee earned £60,000 per annum or more in the accounting year in the current or preceding period.

During the year, one (2017: one) employee participated in the defined benefit pension scheme. The key management personnel of the Charity comprise the Trustees, the Managing Director, Finance Director, Services Director and Business Development Director. The total employee benefits of key management personnel of the charitable group were £203,360 (2017: £231,929).

## 6 Payments to Trustees and connected persons

No Trustee or person with a family or business connection with a Trustee, received remuneration in the year, directly or indirectly, from either the charitable group or an institution or company controlled by the charitable group.

Costs are incurred by the Trustees personally in pursuance of the charitable group's objectives. There were no (2017: no) expense reimbursements paid to Trustees during the year.

Transactions with related parties and connected charities are disclosed in note 22.

## 7 Tangible fixed assets

### The group and charitable company

|                                     | Total<br>£ | Freehold<br>land and<br>buildings<br>£ | Charles<br>Watts<br>Cottages<br>(freehold)<br>£ | Fixtures,<br>fittings,<br>equipment<br>and computers<br>£ | Motor<br>vehicles<br>£ |
|-------------------------------------|------------|----------------------------------------|-------------------------------------------------|-----------------------------------------------------------|------------------------|
| <b>Cost</b>                         |            |                                        |                                                 |                                                           |                        |
| At 31 March 2017                    | 3,880,267  | 2,549,559                              | 136,400                                         | 804,070                                                   | 390,238                |
| Additions                           | 453,504    | -                                      | -                                               | 104,384                                                   | 349,120                |
| Disposals                           | (491,958)  | -                                      | -                                               | (490,768)                                                 | (1,190)                |
| At 31 March 2018                    | 3,841,813  | 2,549,559                              | 136,400                                         | 417,686                                                   | 738,168                |
| <b>Depreciation</b>                 |            |                                        |                                                 |                                                           |                        |
| At 31 March 2017                    | 1,648,252  | 1,648,252                              | 40,017                                          | 647,076                                                   | 338,278                |
| Provided in the year                | 168,138    | 42,776                                 | 3,621                                           | 60,501                                                    | 61,240                 |
| On disposals                        | (488,087)  | -                                      | -                                               | (488,087)                                                 | -                      |
| At 31 March 2018                    | 1,328,303  | 665,657                                | 43,638                                          | 219,490                                                   | 399,518                |
| Net book amount<br>at 31 March 2018 | 2,513,510  | 1,883,902                              | 92,762                                          | 198,196                                                   | 338,650                |
| Net book amount<br>at 31 March 2017 | 2,232,015  | 1,926,678                              | 96,383                                          | 156,994                                                   | 51,960                 |

|                                       | Total<br>£ | Freehold<br>land and<br>buildings<br>£ | Charles<br>Watts<br>Cottages<br>(freehold)<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ |
|---------------------------------------|------------|----------------------------------------|-------------------------------------------------|---------------------------------------------|------------------------|
| <b>Direct charitable<br/>purposes</b> |            |                                        |                                                 |                                             |                        |
| Day care and other<br>services        | 1,257,021  | 720,175                                | -                                               | 198,196                                     | 338,650                |
| Cottages                              | 92,762     | -                                      | 92,762                                          | -                                           | -                      |
|                                       | 1,349,783  | 720,175                                | 92,762                                          | 198,196                                     | 338,650                |
| <b>Other purposes</b>                 |            |                                        |                                                 |                                             |                        |
| Management and<br>Administration      | 1,163,727  | 1,163,727                              | -                                               | -                                           | -                      |
|                                       | 2,513,510  | 1,883,902                              | 92,762                                          | 198,196                                     | 338,650                |

The amount of freehold buildings on which depreciation is being provided is £2,308,039.

## 8 Fixed asset investments

### The charitable group

|                                       | Listed<br>Investments<br>£ | Total<br>£       |
|---------------------------------------|----------------------------|------------------|
| Cost or valuation and net book amount |                            |                  |
| At 31 March 2017                      | 1,106,311                  | 1,106,311        |
| Additions                             | -                          | -                |
| Disposals                             | -                          | -                |
| Defecit on revaluation                | (2,808)                    | (2,808)          |
|                                       | <u>1,103,503</u>           | <u>1,103,503</u> |
| At 31 March 2018                      |                            |                  |

### The charitable company

|                                       | Shares in group<br>undertakings<br>£ | Listed<br>Investments<br>£ | Total<br>£       |
|---------------------------------------|--------------------------------------|----------------------------|------------------|
| Cost or valuation and net book amount |                                      |                            |                  |
| At 31 March 2017                      | 2                                    | 1,106,311                  | 1,106,313        |
| Additions                             | -                                    | -                          | -                |
| Disposals                             | -                                    | -                          | -                |
| Defecit on revaluation                | -                                    | (2,808)                    | (2,808)          |
|                                       | <u>2</u>                             | <u>1,103,503</u>           | <u>1,103,505</u> |
| At 31 March 2018                      |                                      |                            |                  |

Listed investments are stated at their mid market value as at the balance sheet date.

## 8 Fixed asset investments (continued)

If listed investments had not been revalued they would have been included on the historical cost basis at the following amounts:

|                                                           | Listed<br>Investments<br>£ |
|-----------------------------------------------------------|----------------------------|
| Cost and net book amount at 30 March 2018                 | <u>812,034</u>             |
| Cost and net book amount at 31 March 2017                 | <u>755,026</u>             |
| An analysis of the location of investments is as follows: |                            |
|                                                           | Listed<br>Investments<br>£ |
| UK                                                        | 678,812                    |
| Non UK                                                    | <u>424,691</u>             |
|                                                           | <u>1,103,503</u>           |

At 31 March 2018 the charitable company held 100% of the allotted share capital of Age UK Northamptonshire Trading Limited. At 31 March 2018, the aggregate capital and reserves was £2 (2017 - £2) and the profit for the financial year ended on that date was £92,108 (2017 - £129,237).

The subsidiary is engaged in the sale of bought in goods in charity shops and acting as agent for an insurance broker.

A summary of the results of the trading subsidiary is set out below:

|                                             | Age UK<br>Northamptonshire<br>Trading Limited |                    |
|---------------------------------------------|-----------------------------------------------|--------------------|
|                                             | Total<br>2018<br>£                            | Total<br>2017<br>£ |
| Turnover                                    | 175,591                                       | 226,132            |
| Cost of sales                               | <u>(25,557)</u>                               | <u>(29,084)</u>    |
| Gross profit                                | 150,034                                       | 197,048            |
| Other operating income and costs            | <u>(57,926)</u>                               | <u>(67,811)</u>    |
| Net profit                                  | 92,108                                        | 129,237            |
| Gift Aid payment to Age UK Northamptonshire | <u>(92,108)</u>                               | <u>(129,237)</u>   |
| Retained in subsidiary                      | <u>-</u>                                      | <u>-</u>           |

## 8 Fixed asset investments (continued)

The net assets and liabilities of the subsidiary are:

|                                                | 2018<br>£ | 2017<br>£ |
|------------------------------------------------|-----------|-----------|
| Current assets                                 | 69,750    | 77,569    |
| Creditors: amounts falling due within one year | (69,748)  | (77,567)  |
| Aggregate share of capital and reserves        | 2         | 2         |

## 9 Stocks

|                  | The group |           | The charitable company |           |
|------------------|-----------|-----------|------------------------|-----------|
|                  | 2018<br>£ | 2017<br>£ | 2018<br>£              | 2017<br>£ |
| Goods for resale | 14,942    | 14,052    | -                      | 563       |

## 10 Debtors

|                                        | The group |           | The charitable company |           |
|----------------------------------------|-----------|-----------|------------------------|-----------|
|                                        | 2018<br>£ | 2017<br>£ | 2018<br>£              | 2017<br>£ |
| VAT repayable                          | 16,716    | 7,756     | -                      | -         |
| Amounts owed by subsidiary undertaking | -         | -         | 59,170                 | 72,567    |
| Prepayments and accrued income         | 264,244   | 420,197   | 246,285                | 404,031   |
|                                        | 280,960   | 427,953   | 305,455                | 476,598   |

Amounts owed by the subsidiary undertaking are interest free and repayable on demand.

## 11 Creditors: amounts falling due within one year

|                                 | The group |           | The charitable company |           |
|---------------------------------|-----------|-----------|------------------------|-----------|
|                                 | 2018<br>£ | 2017<br>£ | 2018<br>£              | 2017<br>£ |
| Trade creditors                 | 66,571    | 8,851     | 55,994                 | 3,850     |
| Social security and other taxes | 59,952    | 29,124    | 59,952                 | 29,124    |
| Accruals and deferred income    | 61,931    | 95,666    | 61,931                 | 95,666    |
|                                 | 188,454   | 133,641   | 177,877                | 128,640   |



## 12 Endowment funds

### The group and charitable company

Permanent Endowment Funds:

|                    | The Venton 2000 Settlement<br>Endowment Fund<br>£ |
|--------------------|---------------------------------------------------|
| At 31 March 2017   | 1,844,972                                         |
| Incoming resources | 12,090                                            |
| Expenditure        | (21,594)                                          |
| Transfers          | (2,810)                                           |
| Unrealised gains   |                                                   |
|                    | <hr/>                                             |
| At 31 March 2018   | <u>1,832,658</u>                                  |

The Venton 2000 Settlement was registered as a charity on 28 November 2000. It is registered as a subsidiary of Age UK Northamptonshire. The object of the charity is the promotion of the relief of elderly people in Northamptonshire.

The charity holds the freehold land and buildings and fixtures and fittings of The William and Patricia Venton Day Care Centre, along with investments.

The Fund is invested in fixed assets and investments which are held by the Trustees of the charitable group on trust for the Endowment Fund.

## 13 Restricted funds

### The group and charitable company

|                     | At<br>31 March<br>2017<br>£ | Incoming<br>resources<br>£ | Expenditure<br>£ | Transfers<br>£ | At<br>31 March<br>2018<br>£ |
|---------------------|-----------------------------|----------------------------|------------------|----------------|-----------------------------|
| Service Advice Team | -                           | 40,000                     | 40,000           | -              | -                           |
| Day Centre Care     | -                           | 20,000                     | 20,000           | -              | -                           |
|                     | <hr/>                       | <hr/>                      | <hr/>            | <hr/>          | <hr/>                       |
| <b>Total</b>        | -                           | 60,000                     | 60,000           |                | -                           |

Restricted funds are invested in cash deposits. Where funds are fully used to fund the purchase of fixed assets, the balance is transferred to unrestricted funds.

## 14 Designated funds

The group and charitable company

|                   | At<br>31 March<br>2017<br>£ | Incoming<br>Resources<br>£ | Expenditure<br>£ | Transfers<br>£ | At<br>30 March<br>2018<br>£ |
|-------------------|-----------------------------|----------------------------|------------------|----------------|-----------------------------|
| Capital provision | 96,383                      | -                          | (2,172)          | -              | 94,211                      |

The capital provision relates to the value of cottages in Harpole which are rented to the elderly in that vicinity. The fund is represented by freehold properties.

## 15 Unrestricted funds

The group

|                                           | Designated<br>Funds<br>(see note 14)<br>£ | General<br>Fund<br>£ | Pension<br>Deficit/(Asset)<br>£ | Total<br>£  |
|-------------------------------------------|-------------------------------------------|----------------------|---------------------------------|-------------|
| At 31 March 2017                          | 96,383                                    | 2,991,700            | 151,000                         | 3,239,083   |
| Income                                    | -                                         | 3,310,412            | -                               | 3,310,412   |
| Expenditure                               | (2,172)                                   | (4,053,037)          | -                               | (4,055,209) |
| Transfers                                 | -                                         | -                    | -                               | -           |
| Return on plan assets lower than interest | -                                         | -                    | (4,000)                         | (4,000)     |
| Actuarial losses                          | -                                         | -                    | (248,000)                       | (248,000)   |
| At 31 March 2018                          | 94,211                                    | 2,249,075            | (101,000)                       | 2,242,286   |

The charitable company

|                                             | Designated<br>Funds<br>(see note 14)<br>£ | General<br>Fund<br>£ | Pension<br>Deficit<br>£ | Total<br>£  |
|---------------------------------------------|-------------------------------------------|----------------------|-------------------------|-------------|
| At 31 March 2017                            | 96,383                                    | 2,991,700            | 151,000                 | 3,239,083   |
| Income                                      | -                                         | 3,272,450            | -                       | 3,272,450   |
| Expenditure                                 | (2,172)                                   | (4,015,075)          | -                       | (4,017,247) |
| Transfers                                   | -                                         | -                    | -                       | -           |
| Return on plan assets in excess of interest | -                                         | -                    | (4,000)                 | (4,000)     |
| Actuarial gains/(losses)                    | -                                         | -                    | (248,000)               | (248,000)   |
| At 31 March 2018                            | 94,211                                    | 2,249,075            | (101,000)               | 2,242,286   |

## 16 Analysis of net assets between funds

### The group

|                                          | Restricted<br>Funds<br>£ | Unrestricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total<br>£ |
|------------------------------------------|--------------------------|----------------------------|-------------------------|------------|
| Tangible fixed assets                    | -                        | 1,793,335                  | 720,175                 | 2,513,510  |
| Investments                              | -                        | -                          | 1,103,503               | 1,103,503  |
| Net current assets                       | -                        | 549,951                    | 8,980                   | 558,931    |
| Defined benefit pension scheme liability | -                        | (101,000)                  | -                       | (101,000)  |
|                                          |                          | 2,242,286                  | 1,832,658               | 4,074,944  |

### The charitable company

|                                          | Restricted<br>Funds<br>£ | Unrestricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total<br>£ |
|------------------------------------------|--------------------------|----------------------------|-------------------------|------------|
| Tangible fixed assets                    | -                        | 1,793,335                  | 720,175                 | 2,513,510  |
| Investments                              | -                        | -                          | 1,103,505               | 1,103,505  |
| Net current assets                       | -                        | 554,951                    | 8,978                   | 558,929    |
| Defined benefit pension scheme liability | -                        | (101,000)                  | -                       | (101,000)  |
|                                          | -                        | 2,242,286                  | 1,832,658               | 4,074,944  |

## 17 Reconciliation of changes in resources to net cash inflow from operating activities

|                                           | 2018<br>£   | 2017<br>£ |
|-------------------------------------------|-------------|-----------|
| Net income for the year                   | (1,009,111) | 623,420   |
| Depreciation                              | 168,138     | 120,806   |
| (Gains)/losses on investments             | (2,808)     | (138,001) |
| Profit on sale of investments             | -           | (30,332)  |
| Interest received                         | (25,353)    | (31,360)  |
| Decrease/(increase) in stock              | (890)       | 9,381     |
| Decrease/(increase) in debtors            | 146,993     | 719,702   |
| (Decrease)/increase in creditors          | 54,813      | (54,267)  |
| Defined benefit pension scheme adjustment | 252,000     | (266,000) |
| Net cash inflow from operating activities | (410,602)   | 953,349   |

## 18 Capital commitments

The charitable group had contracted capital commitments at 31 March 2018 amounting to £nil (2017 - £351,813)

## 19 Contingent liabilities

There were no contingent liabilities at 31 March 2018 or at 31 March 2017.

## 20 Retirement benefits

### Defined Contribution Scheme

Contributions by the employer to the defined contribution scheme established in 2005/06 have been made at 3%. The scheme also provides a death in service benefit of two times salary, the premium for which is paid by the employer.

The charitable group also contributes to certain employees' individual pension plans.

The pension cost charge represents contributions payable by the charitable group to the fund and amounted to £30,309, (2017: £22,129). Contributions totalling £4,862, (2017: £4,365) were payable to the fund at the balance sheet date.

### Defined Benefit Scheme

In 2017/2018 the Trust paid an employer's contribution of £12,862 into Northamptonshire County Council's Superannuation Fund, which provides members with defined benefits related to pay and service.

On 28 January 2018, Age UK Northamptonshire ceased to be an employer of the Northamptonshire Pension Fund. Under Regulation 64 of the Local Government Pension Scheme Regulations 2013, the charity is required to make an exit payment in accordance with the cessation valuation prepared by the fund actuary, amounting to £101,000. The valuation in the financial statements has therefore been adjusted to reflect the liability which has crystallised on this date.

The principal actuarial assumptions used by the actuary were as follows:

|                                            | 2018<br>% | 2017<br>% |
|--------------------------------------------|-----------|-----------|
| Discount rate                              | 2.6       | 2.5       |
| Expected return on plan assets at 31 March | 2.6       | 2.5       |
| Rate of increase in pensionable salaries   | 2.7       | 2.7       |
| Rate of increase in pensions in payment    | 2.4       | 2.4       |

The expected return on plan assets is 2.6% which is based on the discount note.

Mortality assumptions: in relation to life expectancy it is assumed that for a man who has reached pensionable age that life expectancy is age 87 and for females, age 89. For scheme members who have not reached pensionable age, the rates are adjusted to reflect changes in mortality rates that are expected to arise over the year to pensionable age.

## 20 Pensions (continued)

### Defined Benefit Scheme (continued)

The amounts charged or (credited) in Statement of Financial Activities are as follows:

|                      | 2018<br>£'000 | 2017<br>£'000 |
|----------------------|---------------|---------------|
| Current service cost | 17            | 18            |
| Net interest cost    | (4)           | 4             |
| Actuarial gains      | (7)           | (240)         |
| Total                | <u>6</u>      | <u>(218)</u>  |

The amounts recognised in the balance sheet are as follows:

|                                                        | 2018<br>£'000 | 2017<br>£'000 |
|--------------------------------------------------------|---------------|---------------|
| Fair value of plan assets                              | 883           | 868           |
| Present value of funded retirement benefit obligations | <u>(984)</u>  | <u>(717)</u>  |
|                                                        | <u>(101)</u>  | <u>151</u>    |

The major categories of plan assets as a percentage of the total plan assets, are as follows:

|          | 2018<br>% | 2017<br>% |
|----------|-----------|-----------|
| Equities | 73        | 74        |
| Bonds    | 16        | 17        |
| Property | 8         | 7         |
| Cash     | 3         | 2         |

Changes in the present value of the defined benefit obligation are as follows:

|                                                      | 2018<br>£'000 | 2017<br>£'000 |
|------------------------------------------------------|---------------|---------------|
| Opening defined benefit liabilities at 31 March 2017 | 717           | 782           |
| Current service cost                                 | 17            | 18            |
| Interest cost                                        | 18            | 27            |
| Contributions by plan participant                    | 4             | 4             |
| Actuarial gains                                      | (11)          | (103)         |
| Benefits paid                                        | (21)          | (11)          |
| Actuarial adjustments per cessation valuation        | <u>260</u>    | <u>-</u>      |
| Closing defined benefit liabilities at 31 March 2018 | <u>984</u>    | <u>717</u>    |



## 20 Pensions (continued)

### Defined Benefit Scheme (continued)

Changes in the fair value of plan assets are as follows:

|                                                    | 2018<br>£'000 | 2017<br>£'000 |
|----------------------------------------------------|---------------|---------------|
| Opening fair value of plan assets at 31 March 2017 | 868           | 667           |
| Interest income                                    | 22            | 23            |
| Actuarial gains/(losses)                           | (4)           | 137           |
| Contributions by employer                          | 13            | 48            |
| Contributions by plan participants                 | 4             | 4             |
| Benefits paid                                      | (21)          | (11)          |
| Benefits paid                                      | 1             | -             |
| Adjustment as per cessation valuation              |               |               |
| Closing fair value of plan assets at 31 March 2018 | 883           | 868           |

The charitable group expects to contribute £Nil to the defined benefit scheme in 2019.

## 21 Leasing commitments

Operating lease payments amounting to £ (2017 - £195,169) are due within one year. The leases to which these amounts relate expire are as follows:

|                            | 2018                       |            | 2017                       |            |
|----------------------------|----------------------------|------------|----------------------------|------------|
|                            | Land and<br>buildings<br>£ | Other<br>£ | Land and<br>Buildings<br>£ | Other<br>£ |
| In one year or less        | 178,037                    | 19,518     | 178,037                    | 19,518     |
| Between one and five years | 243,009                    | 62,726     | 324,163                    | 78,074     |
| After more than five years | 19,167                     | 595        | 49,750                     | 4,766      |
|                            | 440,213                    | 82,839     | 551,950                    | 102,358    |

## 22 Transactions with related parties and connected charities

The charitable group has taken advantage of the exemption under the FRS 102 reduced disclosures from disclosing related party transactions with entities that are part of the Age UK Northamptonshire group.

## 23 Post balance sheet events

There have been no material post balance sheet events requiring disclosure.

## 24 Parent charitable company profit for the year

The charitable company has taken the available exemption from presenting its own Statement of Financial Activities in these financial statements. The net deficit (2017 – surplus) of the parent charitable company for the year was £1,009,111 (2017: net surplus of £623,420).

## 25 Statement of financial activities- prior year comparatives

|                                                 | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total<br>2017<br>£ |
|-------------------------------------------------|----------------------------|--------------------------|--------------------------|-------------------------|--------------------|
| <b>Income</b>                                   |                            |                          |                          |                         |                    |
| Donations and legacies                          | 501,193                    | -                        | -                        | -                       | 501,193            |
| Income from trading activities:                 |                            |                          |                          |                         |                    |
| Shop income from donated and bought in products | 590,406                    | -                        | -                        | -                       | 590,406            |
| Fundraising                                     | 4,629                      | -                        | -                        | -                       | 4,629              |
| Insurance commission                            | 179,151                    | -                        | -                        | -                       | 179,151            |
| Provision of other services                     | 460                        | -                        | -                        | -                       | 460                |
| Investment income                               | 15,680                     | -                        | -                        | 15,680                  | 31,360             |
| Income from charitable activities:              |                            |                          |                          |                         |                    |
| Provision of home care services                 | 904,121                    | -                        | 507,159                  | -                       | 1,411,280          |
| Provision of active ageing services             | 59,406                     | -                        | -                        | -                       | 59,406             |
| Provision of advisory services                  | 4,589                      | -                        | 62,740                   | -                       | 67,329             |
| Provision of day care services                  | 1,134,856                  | -                        | -                        | -                       | 1,134,856          |
| Rents receivable                                | 5,567                      | 9,213                    | -                        | -                       | 14,780             |
| Provision of other services                     | 32,607                     | -                        | -                        | -                       | 32,607             |
| <b>Total income</b>                             | <b>3,432,665</b>           | <b>9,213</b>             | <b>569,899</b>           | <b>15,680</b>           | <b>4,027,457</b>   |

## 25 Statement of financial activities- prior year comparatives (continued)

|                                                                                                  | Unrestricted<br>Funds<br>£ | Designated<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total<br>2017<br>£ |
|--------------------------------------------------------------------------------------------------|----------------------------|--------------------------|--------------------------|-------------------------|--------------------|
| <b>Expenditure</b>                                                                               |                            |                          |                          |                         |                    |
| Costs of raising funds                                                                           |                            |                          |                          |                         |                    |
| Cost of raising funds –<br>excluding shops                                                       | 84,235                     | -                        | -                        | -                       | 84,235             |
| Cost of raising funds -<br>shops                                                                 | 663,964                    | -                        | -                        | -                       | 663,964            |
| Investment management<br>fees                                                                    | -                          | -                        | -                        | 5,567                   | 5,567              |
| <b>Expenditure on charitable<br/>activities:</b>                                                 |                            |                          |                          |                         |                    |
| Home care services                                                                               | 881,688                    | -                        | 532,159                  | -                       | 1,413,847          |
| Active ageing services                                                                           | 240,529                    | -                        | -                        | -                       | 240,529            |
| Advisory services                                                                                | 195,268                    | -                        | 78,740                   | -                       | 274,008            |
| Day care services                                                                                | 1,106,209                  | -                        | -                        | 18,480                  | 1,124,689          |
| Cottages                                                                                         | 3,358                      | 2,173                    | -                        | -                       | 5,531              |
| <b>Total expenditure</b>                                                                         | <u>3,175,251</u>           | <u>2,173</u>             | <u>610,899</u>           | <u>24,047</u>           | <u>3,812,370</u>   |
| <b>Net<br/>income/(expenditure)<br/>before transfers and other<br/>recognised gains/(losses)</b> | 257,414                    | 7,040                    | (41,000)                 | (8,367)                 | 215,087            |
| Transfers between funds                                                                          | <u>(1,378)</u>             | <u>(9,213)</u>           | <u>41,000</u>            | <u>(30,409)</u>         | <u>-</u>           |
| <b>Net<br/>income/(expenditure) for<br/>the year</b>                                             | 256,036                    | (2,173)                  | -                        | (38,776)                | 215,087            |
| Losses on investments                                                                            | -                          | -                        | -                        | 168,333                 | 168,333            |
| <b>Other recognised gains<br/>and losses</b>                                                     |                            |                          |                          |                         |                    |
| Actuarial (losses) on<br>defined benefit pension<br>scheme                                       | 103,000                    | -                        | -                        | -                       | 103,000            |
| Return on assets                                                                                 | <u>137,000</u>             | <u>-</u>                 | <u>-</u>                 | <u>-</u>                | <u>137,000</u>     |
| <b>Net movements in funds</b>                                                                    | 496,036                    | (2,173)                  |                          | 129,557                 | 623,420            |
| Fund balances at 31 March<br>2016                                                                | <u>2,646,664</u>           | <u>98,556</u>            | <u>-</u>                 | <u>1,715,415</u>        | <u>4,460,635</u>   |
| <b>Fund balances at 31<br/>March 2017</b>                                                        | <u>3,142,700</u>           | <u>96,383</u>            | <u>-</u>                 | <u>1,844,972</u>        | <u>5,084,055</u>   |