



Age UK Sheffield Annual report 2022/23

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Report of the Trustees for the year ended 31 March 2023

The trustees (who are also directors of Age UK Sheffield for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

Reference and Administration Details

Official name of charity: Age UK Sheffield

Charity registered number: 1108413

Company registered number: 05207254

Directors and Trustees:

- D Campbell (Chair)
- E Challans (resigned 2 September 2022)
- C Dooney (appointed 3 November 2022)
- S Fulton Tindall
- T Furness
- J King (appointed 3 November 2022)
- S Naylor
- M Perkins
- N Sampson
- L Whitworth

President: N Hutton MBE

Vice-Presidents:

- G Moore MBE
- R Wilson

Secretary and Registered Office: 1st Floor, South Yorkshire Fire & Rescue, 197 Eyre Street, Sheffield, South Yorkshire, S1 3FG

Senior management team: Mr Stephen Chufungleung, Chief Executive (Resigned 31 March 2023)
Ms Teresa Barker, Chief Executive (Appointed 1 April 2023)

Auditors: Hawsons Chartered Accountants, Statutory Auditors, Pegasus House, 463a Glossop Road, Sheffield, S10 2QD

Bankers: Barclays Bank plc, Sheffield, South Yorkshire, S1 2HN

Solicitors: Knights plc, Commercial House, 14 Commercial Street, Sheffield, South Yorkshire, S1 2AT

Chair's statement

The chairman presents his statement for the year.

The past year has been dominated by the cost of living crisis, which has affected us all in one way or another. It has particularly taken its toll on the people in our society who can least afford the increased costs we have seen in our supermarkets and our energy bills. As a consequence, the demand on Age UK Sheffield has been huge.

In just one year we saw a 42% increase in the demand from older people on low incomes requesting benefits checks, up from 1,496 to 2,123. We opened new cases for 2,644 people (up by 48.5%). We believe there are around 24,000 people aged 65 and over living in poverty in Sheffield, and the levels of deprivation we are seeing is heartbreaking.

In total, those 2,644 people presented with 6,859 identified needs, up an incredible 87% from the previous year. We are seeing a significant increase in loneliness and social isolation related issues from people who lost social contacts during the pandemic. In many cases, their mobility has also significantly deteriorated from two years of staying at home.

The cost of living crisis has also directly affected organisations within the charity sector. Our charity costs have gone up, both through trying to support our staff with the pay awards they expect and deserve, and the increased costs of the utilities and goods we use, without a corresponding increase in contract income.

However, last year we were extremely fortunate to receive legacy income from gifts left to us in people's wills, which mean the financial statements contained within these annual accounts make positive reading. Trustees have decided to designate some of our reserves to future-proof the delivery of the frontline services where we have concerns about whether grant income will be renewed.

As always, I pay tribute to the staff and volunteers upon whom our services depend. They consistently demonstrate their huge commitment to Age UK Sheffield and the older people we serve. I also thank my fellow Trustees for their time and expertise, and the commissioners, grant funders, and corporate and individual donors, who enable us to deliver our work.



David Campbell

David Campbell
Chair

“ Last year we were extremely fortunate to receive legacy income from gifts left to us in people's wills, which mean the financial statements contained within these annual accounts make positive reading. ”

Trustees' report



The Trustees present their annual report together with the audited financial statements of the Age UK Sheffield for the year 1 April 2022 to 31 March 2023.

The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.



Charity objectives and activities

Age UK Sheffield's articles of association list the charity's objects as "to promote...the benefit of the public and/or older people" within Sheffield and the surrounding area. By "older people" we mean that we primarily support people aged 50 and over, with two-thirds of our beneficiaries being aged 70 or over.

Our vision is:

"For a city in which no older person lives in poverty or loneliness."

Our mission in pursuing that vision is helping older people to:

"Live better lives in the best health possible."

Our values:

"The way we do things here."

Trust



Care



Choice



Our behaviours and success factors:

"How we work every day."

Every minute, every day



'Can-do' / solution focused



Your skills, our context



Empowering you /taking responsibility



Learning and reflection



Our services are person-centred, holistic and aspire to continuously improve in pursuit of excellence.

The main activities we are involved in to further our charitable objects are in providing:

- Free and impartial information and advice services, which are independently accredited. Increasing benefit income is the greatest customer need in this service and takes hundreds of people out of poverty every year.
- Independent living co-ordination services, helping people to live well at home and reduce demand on the local health and social care system. This holistic support addresses poverty through benefits checks, and loneliness through onward referrals, as part of a wider package of support.
- Dedicated dementia services, supporting older people and organisations.
- A vibrant and creative programme of local activities, particularly in the Hillsborough and South-West Sheffield areas.
- Volunteer befriending support to reduce ongoing loneliness.
- A home support service meeting individual added support needs.
- Supporting voice and representation initiatives for older people.

Public benefit statement

As charity Trustees, we confirm we have regard to the Charity Commission's public benefit guidance, which we fulfil through the activities we deliver in pursuit of our objectives. We aim to provide benefits and minimise harm to older people in Sheffield, and our services and activities are open and accessible to all.

Charity aims

We aim to deliver our objectives and activities through a holistic, person-centred approach, supporting older people to achieve their needs and wants, and empowering them to maintain their independence. We may do this by enabling people to increase their financial, physical and mental health and wellbeing, through, for example, increasing benefits claimed, supporting claims for aids and adaptations to the home, and connecting people to local services and resources.

This has benefits for the individual older people we support; their family carers; and the wider community by reducing demand on statutory services.

How our activities further our legal purposes

All our activities seek to further our charitable aims, whether directly providing services to older people, providing professional support and advice to organisations which work with older people, campaigning and lobbying for policies which promote ageing well, or engaging in income generation activities to increase our resources to deliver charitable services.

Strategies to achieve our aims and objectives

We are delivering on our 2022-25 strategy, which focused on the following priorities:

- Ending poverty – through the continued provision of our successful Information and Advice and Independent Living Co-ordination services.
- Ending loneliness – by developing the activity programme at our Hillsborough site, and by seeking to raise additional funds to expand the capacity of our In Touch volunteer befriending service.
- Supporting initiatives to increase the voice and representation of older people in developing local public policy.
- Continuing to increase our retail, trading, and fundraising income, and diversifying our funding sources, to expand the availability of funding to support charitable activities.



The main activities we deliver to meet our objectives for supporting older people in Sheffield are as follows:



Providing free and impartial information and advice services, which are independently accredited. Increasing benefit income is the greatest customer need in this service and takes hundreds of people out of poverty every year.



An activity centre in Hillsborough, delivering a wide range of age appropriate creative activities such as a choir, pottery, needlework, cinema club, and a mens' mental health group.



Delivering free independent living co-ordination services, helping people to live well at home and reduce demand on the local health and social care system. This holistic support addresses poverty through benefits checks, and loneliness through onward referrals, as part of a wider package of health, housing, and social connection support.



Volunteer befriending support to reduce ongoing loneliness.



A paid-for home support service meeting people's additional support needs.



Supporting voice and representation initiatives for people to make Sheffield a better place in which to grow older.



Dedicated dementia services, including five dementia day centre locations, dementia cafes, leadership of Sheffield Dementia Action Alliance, and delivery of Sheffield City Council's specialist dementia advice service.



Criteria for measuring success

By focusing our attention on delivering personalised services, the specific success measures for each person we support are dependent on their individual needs.

At a wider charity level, there are many ways in which we measure the success of our work, including:

- Number of people supported;
- Number of needs they have identified which we supported them to achieve;
- Increased benefit income;
- Improvements measured through the Outcomes Star for independent living.

Our continuous improvement procedure monitors customer satisfaction with our services, and our Trustees receive quarterly customer compliments and complaints reports.

As a learning organisation, we treat all complaints as an opportunity to improve.

We provide quarterly output and outcome reports to project funders and contract commissioners, detailing how we have delivered our services against any grant conditions or performance monitoring requirements.

We take huge pride in delivering service quality of the highest standards and hold numerous external and independent assessments of our quality standards:

- Age UK Charity Quality Standard
- Age UK Information and Advice Quality Standard
- The Advice Services Association's Quality Standard
- ISO9001
- CHAS (Contractors' Health and Safety Standard)

Social investment policies

We do not make any social investments.

Grant-making policies

Through our involvement in the Sheffield City Council People Keeping Well in the Community programme, we lead the partnership for the South-West Sheffield area. The grant funding we receive from the Council for this initiative requires us to make small, community grants, usually of up to £500, to fund community-level health and wellbeing activities. Applicant organisations in the designated area apply to us to receive a community grant to fund capital items or ongoing activities, such as table tennis, litter-picking, and creative writing. The South-West Sheffield People Keeping Well partnership makes decisions about which applications they wish to support, and we administer the grant-making process.

During 2022/23, we started administering small grants to individuals on behalf of the Sir George Franklin's Pensions Charity. Their charitable objects are to support people aged 50 and over who are living in poverty. We nominate people who we are aware are in need of short-term support and their Trustees decide which grants to make. The grants are paid to Age UK Sheffield, who administer the grants on their behalf.

Volunteer involvement

We have over 200 registered volunteers supporting a wide range of charity activities, including our Dementia Wellbeing Centres and cafes, our "In Touch" befriending programme, helping older people to get online and use the internet safely, and our retail shops. We could not deliver such a wide range of charitable activities without our volunteers and we are extremely grateful to them all.

Charity achievements and performance

During 2022/23, we took on 3,872 new cases for people who required our support. We supported those people to increase their income by over £2 million in the first year, by claiming the additional benefits they were entitled to.

This figure is believed to be a significant under-estimate because many people we supported to make benefits claims were either still waiting for their decision, or had not reported the outcome to us, at the time of writing this report.

In addition, thousands more people attended a wide range of activities at our new Gathering Ground site in Hillsborough Park and People Keeping Well activities in South-West Sheffield. We also handled thousands more information enquiries through phone calls and e-mails to our Sheffield city centre office.



During 2022/23 we supported people to increase their income by over **£2 million** in the first year, by claiming the additional benefits they were entitled to.

2022-23 impact report

Did you know there are around 24,000 over-65s in Sheffield who are living in poverty? And around 12,000 older people who are always or often lonely? Age UK Sheffield's charitable mission is working to end older people's loneliness and poverty in our city, helping people to lead independent lives.

Here is a selection of the 3,872 older people¹ we worked with in 2022/23.



Cost of living crisis

Runaway inflation and escalating energy prices dominated the year for us all. For Margery, a 78-year-old breast cancer survivor, who was trying to survive on £182.60 a week, the situation became critical when her boiler broke. She had no money to pay for a new one, no hot water, and no other service had responded to her pleas for help.

Through our "Reaching Out Sheffield" service funded by the **Energy Saving Trust** we helped Margery to have the boiler replaced by her energy provider (appealing after her initial request was rejected). But we didn't stop there. We supported Margery to claim the Attendance Allowance she was entitled to, increasing her annual income by £4,800, plus over £1,000 in backdated benefits. Margery used the increased income to get her car MOT'd to help her get back out and about, reducing her social isolation.

Last year, Age UK Sheffield supported older people like Margery to increase their income by **£2,079,969** in the first year of claiming. We're still waiting to discover the outcomes for hundreds more, meaning the likely increase may be millions more.



Scam alert

Norma was referred to us upon her discharge from hospital. She was aged 85, living with Alzheimer's, and bed-bound due to a range of health issues. When we visited Norma and her husband Eric in their home, he was anxious about the number of scam telephone calls they were receiving; it was causing Eric stress every time the phone rang.

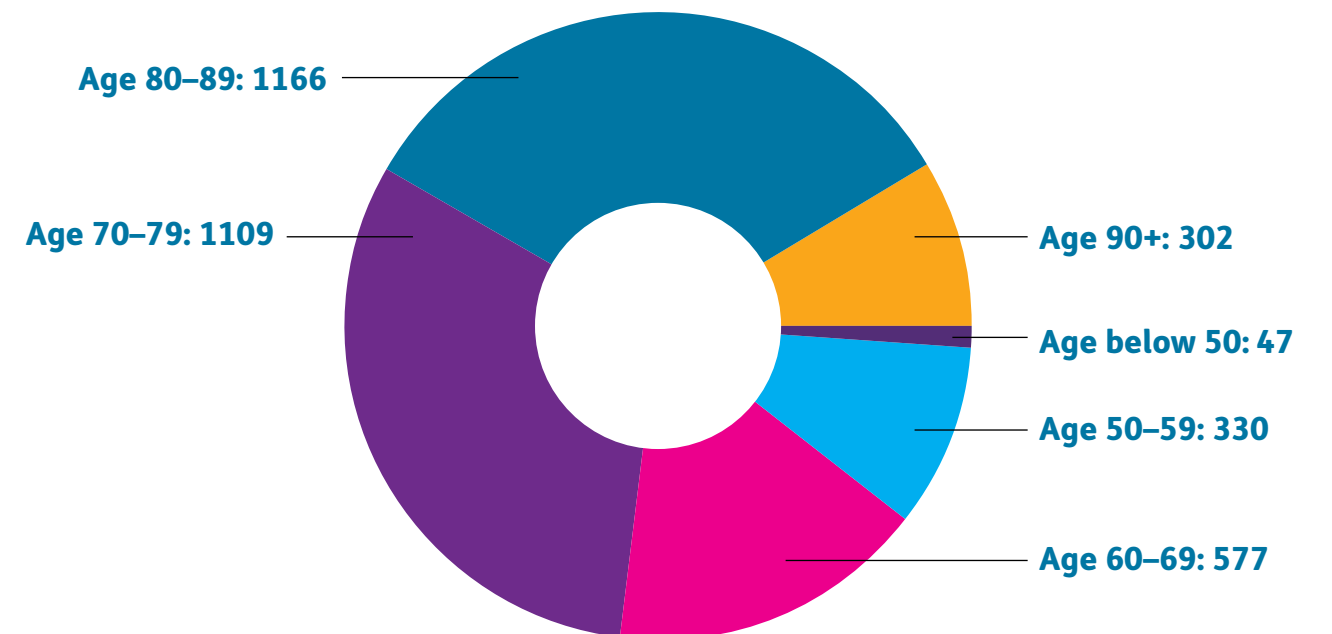
We supported him with some guides on how to avoid scams and stay safe, and installed a call-blocking telephone device through the **Age UK**-funded Scams Prevention project we are delivering. Eric told us he has not received any scam phone calls since, greatly reducing his stress levels.



Whilst we support people aged 50 and over, 73% of people we supported in 2022/23 were aged 70 or over, like Norma and Eric.



Age profile 2022/23



Keeping In Touch

Beatrice is well into her 90s and rarely leaves her flat due to her limited mobility and poor hearing. She has outlived her friends, and her surviving family has moved away, some of them overseas. She benefits from our In Touch befriending service, which has grown from strength to strength since being launched in 2018, with over 100 older people currently matched with a volunteer. George visits her weekly and says he has found “a new friend, access to a wealth of stories, and a bright picture of old age.” She is a former mathematician with a lively mind and a sense of humour.

George has recently retired from a senior job with an international company and says Age UK Sheffield gave him practical support and weekly encouragement in his volunteering role.



If you are interested in volunteering with Age UK Sheffield, visit www.ageuk.org.uk/sheffield/get-involved/volunteer/ to see our current range of opportunities to support older people in Sheffield.



Social networking

Fatima, aged 92, was referred to us by her GP. She was feeling isolated and depressed after the unexpected death of her son. Whilst she can read and understand English, she can only speak Urdu, and had lost contact with her previous neighbours after moving in with her daughter.

Our Urdu-speaking independent living co-ordinator provided a wide range of support to Fatima, with the most valuable being the loan of an iPad provided through Age UK’s “We Are Undefeatable” project.

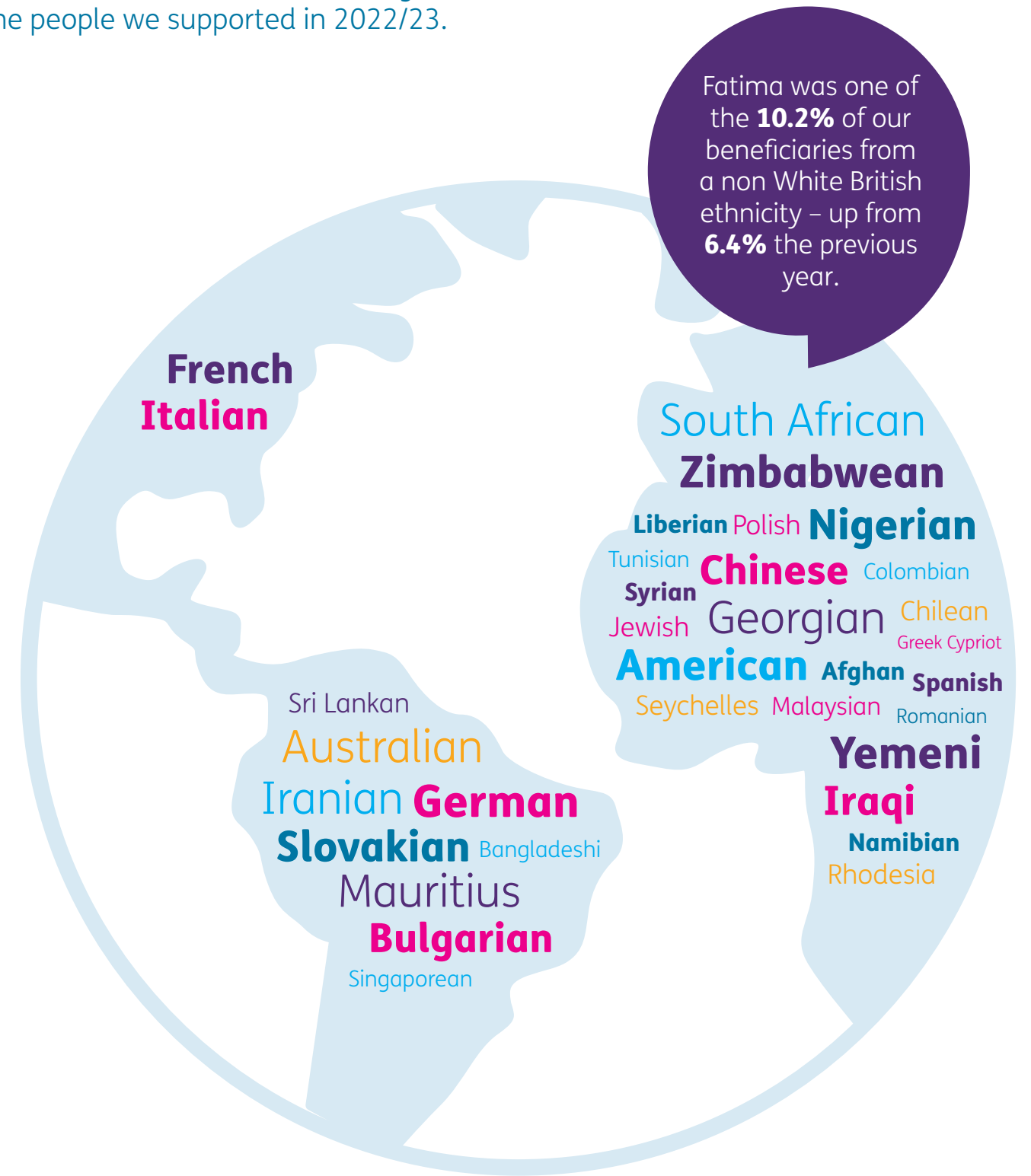
We supported Fatima to get online, find YouTube videos in Urdu, and do her online shopping. Best of all, she could get back in touch with her overseas relatives.

Fatima told us:

“ You have given me some independence back; I am so grateful for the iPad, I Facetimed my family abroad and saw them after so many years. It felt like I actually visited them; this made me so happy. ”



Here are some of the ethnic backgrounds of the people we supported in 2022/23.



Younger older people

Whilst the majority of our beneficiaries are aged over 70, the fact that we can work with anyone over 50 gives us the flexibility to support people who really need us. Like Bill, aged 58, who had been forced to give up work due to multiple sclerosis. He was also living with lung cancer and had experienced several falls. He hadn't been able to plan or save for his enforced retirement and he had no savings to fall back on.

Through our independent living co-ordination service funded by **Weston Park Cancer Charity**, we supported Bill with several independence at home issues, including a full benefits check. We supported him to apply for the severe disability premium, resulting in an annual increase of £3,445, plus a back payment of almost £10,000.

Bill said:

“Age UK Sheffield has been simply amazing and the things you have done for me have changed my life. I’ve gone from constantly worrying about money to being able to buy the things I need.”



Parrot fashion

People who have been admitted to hospital have all sorts of needs – but one of our more unusual requests through the year came from Doreen. She had been taken to hospital in an ambulance after a fall. We had previously supported Doreen at home, due to her numerous health concerns and mobility difficulties.

Social services contacted our free Information & Advice service (supported by **Westfield Health, Age UK** and the **Headley Trust**) because there was nobody to look after her African Grey parrot, Scooby, whilst Doreen was in hospital. She had no close friends or family who could feed and water Scooby, and clean her cage.

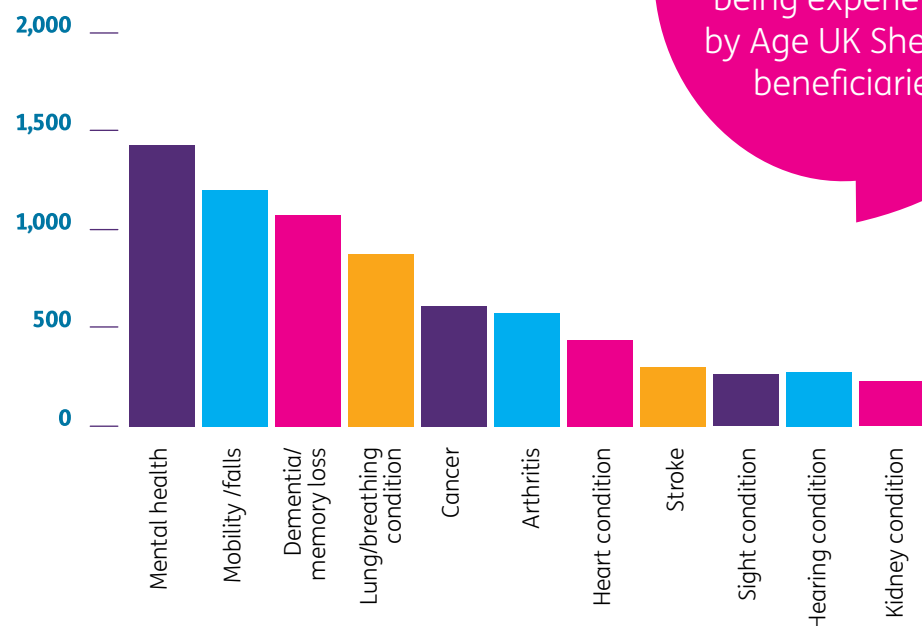
Doreen wanted to know Scooby was being looked after to ensure she wasn't stressed, and could focus on her recovery. Our staff member, Amy, soon learned that Scooby loved crab sticks, Queen and Elton John, and was soon whistling whenever Amy entered the flat.

Doreen said:

“ Scooby is the most important person in the world to me. ”

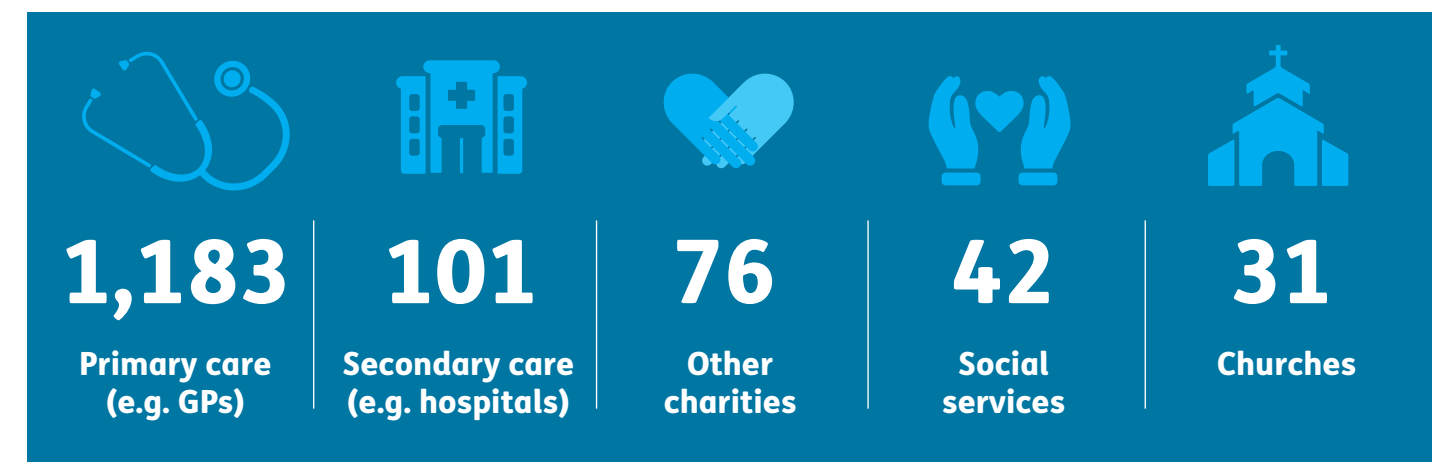


Here is a summary of the most common health conditions from 2022/23:



Cancer and MS are just two of the health conditions being experienced by Age UK Sheffield beneficiaries.

Social workers are just one of our local partners who know that Age UK Sheffield will respond to a wide range of older peoples' needs. Here are some of our partners who referred to us in 2022/23:



Reducing demand on statutory services

A huge amount of our work is designed to keep people living independently at home, reducing unnecessary admissions to hospital or residential care, in projects funded by local **GP Neighbourhoods** and the **South Yorkshire Integrated Care Partnership**.

We had been supporting Helen to get out and about for some time, when her mental and physical health took a turn for the worse. She lives with epilepsy, autism, depression, anxiety, and mobility problems from a previously-fractured spine. These conditions were under control with epilepsy medication, until its effectiveness reduced. Her fits didn't restart, but she became delusional and was found wandering the streets.

Care workers were concerned Helen would need 24-hour care. Helen's sister made daily phone calls but lives four hours away, and mental health services could not respond until Helen needed crisis treatment, both in and out of hospital.

Twice-weekly visits from her regular Age UK Sheffield support workers provided familiar faces. They also helped to keep Helen on track with essential appointments, stay in contact with agencies, and monitor Helen's health and safety. They have also helped her to connect with local outings, such as to Heeley City Farm, which help her state of mind.

Our team knows Helen enjoys doing her nails, arts and crafts, and getting out when she is able to. Helen's sister is reassured that Age UK Sheffield can provide a friendly face and emotional support. It has been a stressful time for Helen's family but they are reassured that our input has helped to stabilise her.

Heeley City Farm is just one of over **1,200** local projects, resources and services we referred older people to in 2022/23, to help them do something they enjoy. Here are some of the others:

Manor & Castle
writers' workshop jazz
gardening
libraries walking group
chairobics life drawing art for all
Parson X forum British legion
Sporting Memories u3a soar animal therapy
andy man's club Sheffield Mind good gym zest
Heeley Dev Trust yoga health knit/natter
fishing Heeley City Farm reminiscence
Darnall Wellbeing lunch club Memory Café
Foxhill Centre reading group
ship shape carer's group
sadacca dance to
friendship
eco grants

Local activities

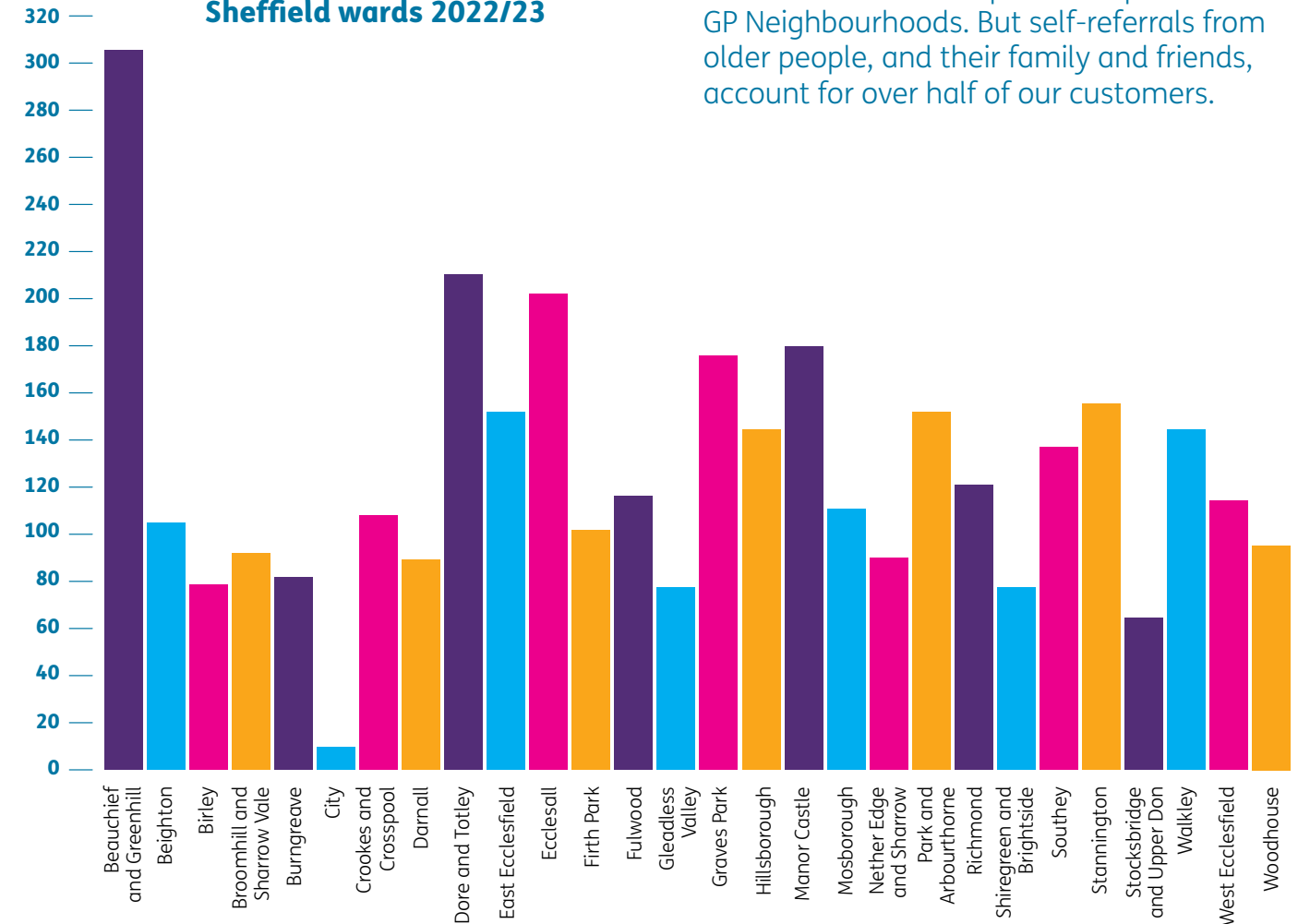
Sandra had been caring for her husband's progressively worsening dementia for six years, and finding it was getting harder to socialise with her friends. She was tired and friends noticed she was becoming increasingly isolated.

Sandra was introduced to Age UK Sheffield's "Nature for Wellbeing" sessions, which are delivered as part of our **Sheffield City Council**-funded People Keeping Well activities in south-west Sheffield. She had been reluctant to join, fearing it would be a gardening group. But Sandra says it "changed her life". She has met new friends, looks at nature in a different way, and says that, for 90 minutes a week, she can be herself and forget her troubles. It also gives her something new to talk to her husband about!



Age UK Sheffield supports people in all parts of the city. The highest numbers are in the areas where we have partnerships with local GP Neighbourhoods. But self-referrals from older people, and their family and friends, account for over half of our customers.

Sheffield wards 2022/23



Dementia specialists

In April 2022, we expanded our range of specialist dementia Wellbeing Centres from its original site in Norfolk Park to additional venues across the city – and 84-year-old Derek took full advantage.

A former director in the steel industry, he was becoming increasingly difficult for Janet to live with, when he was referred to our Norfolk Park centre. Derek was soon participating in all the activities and conversations, singing, playing music, and dancing. He loves to paint and read. When our Wellbeing Centres extended into the Botanical Gardens, Derek moved with them.

“ Janet used to need stress-related medication but now says: “To support I get from Derek attending the Wellbeing Centre gives me something to look forward to – a wonderful few hours of respite. Now I can meet someone for coffee or even lunch! ”



Our Wellbeing Centres are part-funded by Sheffield City Council, with some free places available and others privately-funded. They are perfect for anyone with dementia or memory loss.

Gathering Ground

The first full year of activities at our Gathering Ground facilities in Hillsborough Park have seen this centre becoming more established, with a more diverse programme and growing audience base.

The facilities comprise the following buildings:

- Depot Bakery café at the Coach House;
- Bradbury Makers’ Shed, host to a wide range of creative activities;
- The Pavilion, the home of our Hillsborough Dementia Wellbeing Centre, as well as a range of community and commercial bookings and activities.

A regular week may see anything up to 500 different participants in our activity sessions. Regular timetabled activities delivered by our partners, RivelinCo, include:

- Singing In Hillsborough Park;
- Creative writing;
- Crafternoon;
- Andy Man’s Club (men’s mental health)

Regular community activities include:

- Friends of Hillsborough Park volunteering;
- Dancing for health;
- Molly on the Mat yoga and yoga for runners;
- Osteoporosis 2000 falls prevention;
- Jiu Jitsu;
- RVS art group;
- Walking group;
- Breastfeeding group

In addition, we have had a diverse range of private events, from children’s birthday parties to filming for a CBeebies show.



We are working to keep improving the range of activities delivered on the site, and keep increasing the proportion of attendances by older people.



Financial review

Our financial outturn for 2022/23 has a bottom line showing a surplus of £236,157 (2021/22: £132,214).

Principal funding sources

Our main sources of income are contracts and grants to support our Independent Living Co-ordination work with vulnerable older people. Demand on the ILC service continues to increase due to issues ranging from poverty to issues in receiving health and social care services. During the year we delivered additional work supporting local hospitals to discharge older people from hospital, especially during the winter months when there was heightened pressure on the NHS. This work is continuing into 2023/24, and being supported by a new project delivering activities to older people who are experiencing long stays in hospital. Our activity programme aims to keep people alert and engaged, and prevent a further deterioration in long-term health.

We also receive significant income from our dementia services, our paid-for “At Home” service, our retail shops, and our new facilities in Hillsborough Park.

A complete list of our grant funders can be seen on page 18 of the report.

The income we received during the year was significantly higher than budgeted, largely due to additional grants and contracts won during the year, and some legacy income which was gratefully received.

Expenditure overview

The vast majority of our spending continues to be on staff to deliver services to older people. Our employee costs are around two-thirds of our total expenditure. During the year, we strived to deliver an annual pay award which could help our staff as far as possible to meet the challenges of high inflation levels. The charity additionally made a one-off payment in recognition of the high energy prices.

We work hard to keep our overheads as low as possible, to maximise the impact we can have directly on service delivery.

Cash position

As at 31 March 2023 the Charity had a cash balance of £811,875 on a consolidated basis (2022: £768,886).

Fixed assets

Our main tangible fixed assets relate to our properties in Hillsborough Park, which opened in 2022 and are being depreciated over a 25-year period.

Restricted/designated funds

We have a small amount of restricted funding carried forward, which represents the balance of projects we are delivering. These are described in full in note 16. Trustees have also designated some funding to support the delivery of our ILC and Information and Advice services. It is planned that these will be spent within two years.

Significant events

There were no significant events that materially affected our financial position.

Investment policy

We do not hold any significant investments outside of our group of companies.

During 2021/22, in partnership with four other local Age UK Brand Partners, we established a new social enterprise company, CASEwork Services CIC Ltd to provide back office services to our five charities, and to others. We supported the establishment of this company through the provision of a £15,000 loan. It is intended that this will be repaid within ten years, as the company grows.

Risk management

Our risk assessment and risk register are reviewed and updated on a quarterly basis and scrutinised by our HR and Governance Group. This review includes a written update on the current position of each risk and a review of the likelihood and impact scores, and any further control measures required. New risks are added and existing risks closed, to ensure the risk assessment remains and live document which informs our strategy development and work programme. The full Board reviews the risk assessment once per year, or individual risks may be escalated to the Board periodically by the HR & Governance Group.

In May 2023, the highest scoring risks on our risk register were as follows:

Financial risks

Risks relating to meeting income generation targets, particularly for service delivery activities, the retail operation.

A risk around the high cost of energy, and our recharging arrangements to our tenants at the Coach House.

Operational risks

Risks relating to the demand on our Information and Advice and Independent Living Co-ordination services, due to the level of need from older people in the city. We seek to control these risks by making judgements on the extent to which we promote our services, managing customer expectations, and using priority assessment tools to ensure our limited capacity is targeted to support the people most in need of our services.

A risk relating to the resignation of the previous Chief Executive and the appointment of an Interim Chief Executive from 1st April. Following a successful interim period, this appointment was made permanent in July 2023 and removed from the risk register.

Reserves policy

In June 2022, our Board updated the reserves policy to change towards a risk-based approach which analysed a wide range of capital, buildings-related, service delivery and staffing risks, and their likelihood of being realised. Based on this assessment, the Trustees set their target range for free reserves at between £350,000 and £500,000.

At 31 March 2023, Age UK Sheffield’s free reserves (unrestricted funds excluding designated reserves) were £1,055,709, compared to £986,316 in the previous year. During the year we left a defined benefit pension scheme with no further liabilities. Further details are below.

The Board has set its priorities for bringing free reserves back within the target range and has designated some funding for supporting older people’s services during gaps between grant and contract income being realised. The Board is also considering making long-term investments in extending our chain of retail shops. It anticipates that these investments will bring the reserves back within the target range by March 2025.

Factors likely to affect future performance

As with all businesses which are trading in the current economic environment, we are constantly assessing the impact of inflation and rising costs on our budgets. At this stage we do not have any significant concerns in this respect.

Pension liabilities

Age UK Sheffield has, for at least 18 years, been part of a national Age UK defined benefit pension scheme. Following a review by the Trustees of the national scheme, we have mutually agreed to leave the scheme. Our Board has received written confirmation that the national scheme Trustees do not intend to make any further demands on Age UK Sheffield.

Our trading subsidiary

In 2019, the charity invested in our trading subsidiary to fund the capital start-up costs of our retail operation. It was intended that this £60,000 initial investment would be repaid over time through the retail gift aid scheme. The full investment had been realised within three years. The following retail gift aid payments have been made to date:

2019/20 - £3,766
2020/21 - £9,220
2021/22 - £63,447
2022/23 - £91,790

In 2021/22, the charity made a short-term loan of £120,000 to the trading subsidiary to support the completion of the Coach House Lottery project in Hillsborough Park. This was because the trading subsidiary delivered the redevelopment of the Coach House but some of the capital grants to support the project had been paid to the charity. This loan will be repaid through rental income from the café operator in the coming years.

Going concern

The Trustees have considered the charity’s ability to fulfil its financial obligations as they fall due over the coming 12-month period. In undertaking these considerations, Trustees have assessed a wide range of factors, including:

- The current availability of unrestricted and undesignated reserves;
- A cashflow forecast;
- Future planned income sources, the diversity of these sources, and the risks attached to each income source;
- Planned expenditure against this income;
- The risk assessment used to inform our updated reserves policy, including unforeseen spending commitments such as building maintenance and dilapidations, the financial impact of a further pandemic, cost of living increases, and our ongoing discussions with the administrators of the Age UK defined benefit pension scheme.

Having given due consideration to all these issues, Trustees have made a positive going concern assessment of our ability to continue trading throughout at least the next 12 months.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies section of the financial statements.

Plans for future periods

During the year, the Board confirmed a new charity strategy for 2022-25. This identified the following priorities:

<p>Ending poverty – through the continued provision of our successful Information and Advice and Independent Living Co-ordination services.</p>	<p>Ending loneliness – by developing the activity programme at our Hillsborough site, and by seeking to raise additional funds to expand the capacity of our In Touch volunteer befriending service.</p>	<p>Supporting initiatives to increase the voice and representation of older people in developing local public policy.</p>	<p>Continuing to increase our retail, trading, and fundraising income, and diversifying our funding sources, to expand the availability of funding to support charitable activities.</p>
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This strategy is being delivered, with an increased focus on the retail and commercial side through the appointment in 2023 of a new senior management role of Income Generation Manager.

Initial plans are currently being made in preparation for the development of the next strategy, post-2025.



Charity structure, governance and management

Age UK Sheffield is a charity and registered company limited by guarantee, which is governed by a board of Trustees. Having formerly been an unincorporated charity since its registration in January 1981, the Charity transferred its assets to a ‘new’ charity, number 1108413 on 31 March 2005.

In 2022/23, the full Board met in full six times and held a strategic planning day. Our Finance and HR & Governance Groups have a scrutiny function and some delegated authority, and met quarterly in advance of full Board meetings.

Age UK Sheffield Enterprises Limited is a company wholly owned by Age UK Sheffield which is governed by a Board of Non-Executive Directors comprising up to three charity Trustees and up to two independent Directors, one of whom, Nick Ethelstone, chairs the Board. This trading arm engages in trading activity and makes donations to the Charity through the retail and corporate Gift Aid processes.

How we make decisions

A Scheme of Delegation is appended to the Charity’s Code of Governance, which describes the decisions which are reserved for the full Board, decisions that are delegated to sub-groups, and those which are delegated to the Chief Executive and Senior Management Team.

The Finance and HR & Governance Groups typically meet one or two weeks before full Board meetings to undertake a scrutiny function on behalf of the Board. They may make recommendations to the Board or specify issues which require full Board discussion.

The Scheme of Delegation was reviewed in July 2023.

Trustee recruitment, induction and training

The Board actively manages its composition to provide both stability and fresh ideas and thinking. Trustees are recruited for a three-year term and may serve up to three terms. In recent years it has been common practice for one or two Trustees to resign from the Board and one or two new Trustees to join the Board. In 2022/23, Emma Challans resigned from the Board whilst Colleen Dooney and Jason King joined as new Trustees.



Trustees are always recruited through an open process using a role description and person specification. Typically, Trustee vacancies are advertised in the summer every year, with a recruitment and selection process taking place in September and October. New Trustees are proposed to the November Board meeting, which they attend as observers, before appointments are made at the December Annual General Meeting.

Trustees receive a handbook which includes the Articles of Association, Code of Governance, and key policies and procedures including the Declaration of Interests policy. Trustees complete an induction which includes meetings with senior managers and shadowing of key frontline services.

During 2022/23, the Board participated in a Trustee appraisal process as part of the Board’s ongoing development process.

Senior management remuneration

The remuneration of all staff, including senior managers, is considered annually by the full Board. Proposals are considered at the September Board meeting and the pay award takes effect from 1st October. The senior managers during the year 2022/23 were the Chief Executive and the Chief Operating Officer.

The Age UK network

Age UK Sheffield is a local, independent charity. Our charitable objects are focused around providing services to older people in Sheffield and our Trustees are from Sheffield and the surrounding area. We are part of the federated Age UK network of charities, through which we have a Brand Partner Agreement with the national charity, Age UK. This gives all Brand Partners, including Age UK Sheffield, rights and obligations to work together for the benefit of older people in our shared network.

Part of our commitment to being an Age UK Brand Partner is to uphold excellent quality standards in the running of our charity and our service delivery to older people. We meet the Age UK Charity Quality Standard, which measures our effectiveness in a range of categories, including governance, finance, safeguarding, and health and safety, renewing our certificate during 2021/22.

We also hold the Age UK Information and Advice Quality Standard, which provides evidence of independence, impartiality, and service quality in the provision of information and advice services. Our most recent inspection came during a 2021/22 Covid-19 lockdown.

The covering e-mail which accompanied the report said:



Related parties

Up to three Trustees sit on the Board of our wholly-owned trading subsidiary, Age UK Sheffield Enterprises. The current Trustees on that Board are David Campbell and Tim Furness. Both make relevant declarations of interest at respective Board meetings.

Age UK Sheffield was a founding member of CASEwork Services CIC Ltd, which was established in September 2021. The joint venture company was established in partnership with four other local Age UK Brand Partners, to provide finance and other back office services to the owning charities as part of a cost-sharing group, and commercially to other charities and social enterprises.

Our Trustee, Sarah Fulton Tindall, and former Chief Executive, Steve Chu, are also Directors of CASEwork. For the full financial year, 2022-23, Steve Chu also held the role of Chief Executive of CASEwork on a part-time secondment from Age UK Sheffield.

We work with a wide range of other charities in the pursuit of our charitable objectives. We are members of the Age England Association and attend regional meetings with other Age UK Brand Partners. We also regularly work with other charities in Sheffield.

Trustees' indemnities

The Trustees, as directors of the charitable company, have been granted a qualifying third party indemnity provision under section 234 of the Companies Act 2006. This does not provide cover in the event of a director being proved to have acted fraudulently or dishonestly.

List of financial supporters

We would like to thank everyone who supported the work of Age UK Sheffield during 2022/23, and give particular thanks for the financial support given by:

- Age UK
- Beighton Relief In Need Charity
- British Red Cross
- Hallamshire Golf Club
- Headley Trust
- HM Burdall Charity
- Marjorie Coote Old People's Charity Fund
- The National Lottery Heritage Fund
- NHS South Yorkshire Integrated Care Board
- GPA1, Hillsborough, Network North, Peak Edge, Porter Valley and City & University Primary Care Networks
- Sheffield Area Kidney Association
- Sheffield Church Burgesses Trust
- Sheffield City Council
- Sheffield Town Trust
- Sir George Franklin Charity
- Sky
- South Yorkshire Community Foundation
- South Yorkshire Housing Association
- The Energy Saving Trust
- Westfield Health Charitable Trust
- Weston Park Cancer Charity
- Individual donors, fundraisers, customers, members and people leaving legacies to Age UK Sheffield

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements

unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in operation.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which the charitable Group's auditors are unaware, and
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Group's auditors are aware of that information.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006 and the requirement to produce a strategic report.

This report was approved by the Trustees on 2 November 2023 and signed on their behalf by:

Mr David Campbell
Chair of Trustees

I am pleased to say you have fully demonstrated that you have met all the benchmarks, and successfully completed the Age UK I&A Quality Programme. It is clear from the report there are many strengths identified in your service, and that the service is very well organised and managed. The team show commitment and dedication to their customers, colleagues and to Age UK Sheffield. The mystery shopping showed that a very high level of customer service was reported and the Quality of Advice Assessment showed advice of a consistently high standard was being delivered. This is a fantastic achievement at any time, but you are to be commended for going through your assessment whilst adapting the service to respond so well to the pandemic. The assessor was particularly impressed by the organisation's commitment to a customer centred approach, which was impressive and authentic, with the customer firmly at the centre.

Independent auditors' report to the members of Age UK Sheffield

Opinion

We have audited the financial statements of Age UK Sheffield (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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 the parent charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements or a material misstatement in 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 strategic report and the directors' report.

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

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 25), 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 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed auditors under the Companies Act 2006 and report in accordance with this Act.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charitable company is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the charitable company and the environment it operates within, we determined that the laws and regulations which were most significant included FRS 102, Companies Act 2006, Health and Safety regulations and the Charities Act 2011. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to improve the company's result for the period, and management bias in key accounting estimates.

Audit procedures performed by the engagement team included:

- Discussions with management and those responsible for legal compliance procedures within the charitable company to obtain an understanding of the legal and regulatory framework applicable to the charitable company and how the charitable company complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of Trustee meetings;
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Simon Bladen, Senior Statutory Auditor

for and on behalf of

Hawsons Chartered Accountants
Statutory Auditors
Pegasus House
463a Glossop Road
Sheffield
S10 2QD

Consolidated statement of financial activities

Year Ended 31 March 2023

		Unrestricted funds	Restricted funds	2023 Total	2022 Total
Note	£	£	£	£	
Incoming resources					
Grants, donations and legacies	2	575,700	231,710	807,410	1,218,218
Charitable activities	3	1,331,447	123,357	1,454,804	1,074,652
Investments	4	2,126	-	2,126	79
Other income	5	166,518	-	166,518	1,200
		<u>2,075,791</u>	<u>355,067</u>	<u>2,430,858</u>	<u>2,294,149</u>
Resources expended					
Raising funds		-	-	-	7,000
Charitable activities	6	1,843,265	351,436	2,194,701	2,154,935
		<u>1,843,265</u>	<u>351,436</u>	<u>2,194,701</u>	<u>2,161,935</u>
Net (outgoing)/incoming resources before transfers					
		232,526	3,631	236,157	132,214
Transfers between funds		(2,903)	2,903	-	-
Actuarial gains on defined benefit pension scheme		-	-	-	7,000
		<u>229,623</u>	<u>6,534</u>	<u>236,157</u>	<u>139,214</u>
Net movement in funds					
		1,088,775	29,843	1,118,618	979,404
Funds brought forward					
		<u>1,318,398</u>	<u>36,377</u>	<u>1,354,775</u>	<u>1,118,618</u>
Funds carried forward					

Balance sheets

31 March 2023

	Note	31 March 2023		31 March 2022	
		Group £	Company £	Group £	Company £
Fixed assets					
Tangible assets	9	393,162	138,511	398,852	126,063
Investments	12	-	60,002	-	60,002
		393,162	198,513	398,852	186,065
Current assets					
Debtors	13	585,065	727,888	424,765	606,311
Cash at bank and in hand		811,875	724,719	768,886	609,004
		1,396,940	1,452,607	1,193,651	1,215,315
Creditors – amounts falling due within one year	14	(435,327)	(396,355)	(473,885)	(396,840)
Net current assets		961,613	1,056,252	719,766	818,475
Total assets less current liabilities		1,354,775	1,254,765	1,118,618	1,004,540
Net assets		1,354,775	1,254,765	1,118,618	1,004,540
Charity funds					
Restricted funds	16	36,377	96,597	29,843	90,063
Designated funds	17	142,153	-	102,459	-
Unrestricted funds	17	1,176,245	1,158,168	986,316	914,477
Total charity funds		1,354,775	1,254,765	1,118,618	1,004,540

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The income and expenditure account for the year dealt within the accounts of the Charity was a surplus of £250,225 (2022: a surplus of £21,091).

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

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

The financial statements were approved and authorised for issue by the Trustees on 2 November 2023 and signed on their behalf by:



Mr David Campbell,
Chair of Trustees

Consolidated statement of cash flows

Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flow from operating activities	19	74,099	654,097
Cash flows from investing activities			
Interest received		2,126	79
Payments to acquire tangible fixed assets		(33,236)	(906,520)
Net cash flow from investing activities		(31,110)	(906,441)
Net increase in cash and cash equivalents		42,989	(252,344)
Cash and cash equivalents at 1 April		768,886	1,021,230
Cash and cash equivalents at 31 March		811,875	768,886
Cash and cash equivalents consist of:			
Cash at bank and in hand	20	811,875	768,886
Cash and cash equivalents at 31 March		811,875	768,886

Notes on accounts

Year Ended 31 March 2023

1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

1.1 Statutory information

The Charity is a private company limited by guarantee, established by constitution on 13 January 1981 in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is 1st Floor, South Yorkshire Fire & Rescue, 197 Eyre Street, Sheffield, South Yorkshire, S1 3FG and its registered number is 05207254. The nature of the Charity's operations and principal activities are included in the trustees' annual report.

1.2 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice. There has been no material departure from these standards.

The functional and presentational currency of the charity is GBP.

1.3 Going concern

At the date of signing these financial statements, the Trustees have reviewed the current financial position and future projections and believe this indicates that the group will be able to continue to operate for a period of at least 12 months beyond the signing date.

1.4 Basis of consolidation

The financial statements consolidate the accounts of Age UK Sheffield and its subsidiary undertaking ('subsidiary').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.5 Exemptions for qualifying entities

The charitable company has taken advantage of the exemption from preparing a statement of cashflows on the basis that it is a qualifying entity and the group cashflow statement included within these financial statements include the company's cashflows.

The charitable company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.6 Income

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

The legacies entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with the administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.8 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.9 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of the fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are initially recognised at cost, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

- Short-term leasehold property - over remaining term of the lease
- Office equipment - 20% - 30% straight line
- Computer equipment - 33% straight line

1.11 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.12 Debtors

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

1.13 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.

1.14 Impairment

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

1.15 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.16 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.17 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

1.18 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.19 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Investment income, gains and losses are allocated to the appropriate fund.

1.20 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

(i) Recognitions of legacy income

In applying the principals of SORP FRS 102 in relation to legacies, management make judgements relating to when the legacy income is recognised.

Due to the nature of legacies, it is not always possible to determine the value of the legacy or the likelihood of it being received. In some instances, such legacies can be contested and, as such, the charity will not receive the income. The facts of each case are assessed individually to decide when the legacy should be recognised in line with the Charity's accounting policy and with SORP FRS 102.

(ii) Impairment of leasehold improvements

In applying the principals of SORP FRS 102 in relation to impairment of assets, management make judgements relating to the fair value of Leasehold improvements at each balance sheet date. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

2. Income from grants, donations and legacies

	Unrestricted fund	Restricted fund	Total funds
	2023	2023	2023
	£	£	£
Donations and other grants	399,345	117,732	517,077
Legacies	140,982	-	140,982
Age UK	35,373	113,978	149,351
Total	575,700	231,710	807,410

	Unrestricted fund	Restricted fund	Coach House (restricted)	Total funds
	2022	2022	2022	2022
	£	£	£	£
Donations and other grants	274,245	-	716,053	990,298
Legacies	3,599	-	-	3,599
Age UK	151,858	98,083	-	219,941
Covid related grants	4,380	-	-	4,380
Total	404,082	98,083	716,053	1,218,218

3. Income from charitable activities

	Unrestricted fund	Restricted fund	Total funds
	2023	2023	2023
	£	£	£
Support in the Home	725,171	12,454	737,625
Group support	335,322	110,903	446,225
Information and Advocacy	270,954	-	270,954
Total	1,331,447	123,357	1,454,804

	Unrestricted fund	Restricted funds	Total funds
	2022	2022	2022
	£	£	£
Direct	25,012	-	25,012
Group Support	178,356	152,719	331,075
Support in the Home	481,315	146,336	627,651
Information and Advocacy	90,914	-	90,914
Total	775,597	299,055	1,074,652

4. Investment income

	Unrestricted funds	Total funds
	2023	2023
	£	£
Investment income	2,126	2,126

	Unrestricted funds	Total funds
	2022	2022
	£	£
Investment income	79	79

5. Other incoming resources

	Unrestricted funds	Total funds
	2023	2023
	£	£
Reimbursed expenses	<u>166,518</u>	<u>166,518</u>
	2022	2022
	£	£
Reimbursed expenses	<u>1,200</u>	<u>1,200</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds	Restricted funds	Total funds
	2023	2023	2023
	£	£	£
Premises costs	157,452	-	157,452
Administrative costs	374,749	86,904	461,653
Staff costs	1,129,522	251,401	1,380,923
Support costs (note 7)	<u>181,542</u>	<u>13,131</u>	<u>194,673</u>
	<u>1,843,265</u>	<u>351,436</u>	<u>2,194,701</u>

	Unrestricted funds	Restricted funds	Coach House (restricted)	Total funds
	2022	2022	2022	2022
	£	£	£	£
Premises costs	62,499	-	6,076	68,575
Administrative costs	122,816	114,262	15,763	252,841
Staff costs	663,346	308,631	13,281	985,258
Support costs (note 9)	302,439	-	-	302,439
Impairment	-	-	545,822	545,822
	<u>1,151,100</u>	<u>422,893</u>	<u>580,942</u>	<u>2,154,935</u>

7. Allocation of support costs

	2023	2022
	£	£
Management & Business Support	139,679	220,690
Infrastructure	40,098	21,641
Development	14,896	60,108
	<u>194,673</u>	<u>302,439</u>

8. Governance costs

Included in support costs are governance costs of £35,354 (2022: £26,055).

9. Net income for the year

	2023	2022
	£	£
Depreciation	33,148	9,500
Impairment	-	545,822
Fees payable to the Company's auditors in respect of:		
The audit of the Company's annual accounts	13,200	11,000
All taxation advisory services	300	800
All non-audit services not included above	1,100	-
	<u>1,100</u>	<u>-</u>

10. Staff costs

The average number of persons employed by the Group during the year was as follows:

	2023	2022
	No.	No.
Average number of employees	81	64

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees neither received nor waived any remuneration during the year (2022: £nil). No Trustees are accruing pension arrangements (2022: £nil). No Trustees were reimbursed expenses in either year.

The total amount of employee benefits received by key management personnel is £107,232 (2022: £105,126). Age UK Sheffield considers its key management personnel to comprise of their Senior Management Team.

The total staff cost and employees' benefits were as follows:

	2023	2022
	£	£
Wages and salaries	1,265,556	1,053,198
Social security costs	87,682	70,230
Pension costs	34,615	40,432
	<u>1,387,853</u>	<u>1,163,860</u>

11. Tangible fixed assets

Group	Leasehold improvements	Office equipment	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2022	910,108	119,255	62,949	1,092,312
Additions	-	2,756	30,480	33,236
Disposals	-	(5,779)	-	(5,779)
At 31 March 2023	910,108	116,232	93,429	1,119,769
Depreciation				
At 1 April 2022	547,997	103,190	42,272	693,459
Charge for the year	17,681	4,277	11,190	33,148
Eliminated on disposal	-	-	-	-
At 31 March 2023	565,678	107,467	53,462	726,607
Net book value				
At 31 March 2023	344,430	8,765	39,967	393,162
At 31 March 2022	362,111	16,065	20,677	398,853

Charity	Short-term leasehold property	Office equipment	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2022	202,315	48,921	39,627	290,863
Additions	-	2,756	30,480	33,236
Disposals	-	(5,779)	-	(5,779)
At 31 March 2023	202,315	45,898	70,107	318,320
Depreciation				
At 1 April 2022	102,315	41,805	20,680	164,800
Charge for the year	3,332	487	11,190	15,009
Eliminated on disposal	-	-	-	-
At 31 March 2023	105,647	42,292	31,870	179,809
Net book value				
At 31 March 2023	96,668	3,606	38,237	138,511
At 31 March 2022	100,000	7,116	18,947	126,063

12. Fixed asset investments

Charity	Investments in subsidiary companies
	£
Cost or valuation	
At 1 April 2022 and 31 March 2023	60,002

Subsidiary name	Company number	Registered office	Class of share	Holding
Age UK Sheffield Enterprises Limited	02432642	1st Floor South Yorkshire Fire & Rescue 197 Eyre Street Sheffield South Yorkshire S1 3FG	Ordinary	100%

The financial results of the subsidiary for the year were:	Income	Expenditure	Loss for the year	Net assets
	£	£	£	£
Age UK Sheffield Enterprises Limited	401,240	(407,392)	(6,152)	(29,978)

13. Debtors

	Group 2023	Charity 2023	Group 2022	Charity 2022
	£	£	£	£
Trade debtors	418,830	365,964	271,104	248,214
Amounts owed by group undertakings	-	232,804	-	248,264
Other debtors	18,483	15,000	32,894	15,000
Prepayments and accrued income	147,752	114,120	120,767	94,833
	585,065	727,888	424,765	606,311

14. Creditors

	Group 2023	Charity 2023	Group 2022	Charity 2022
	£	£	£	£
Trade creditors	27,149	14,263	40,409	20,408
Amounts owed by group undertakings	-	-	-	-
Other taxation and social security	28,459	21,041	24,758	24,758
Other creditors	35,952	34,952	20,402	10,750
Accruals	86,131	72,702	91,002	66,724
Deferred income	258,636	253,397	297,314	274,200
	435,327	396,355	473,885	396,840

15. Deferred income

	Group	Charity
	£	£
Deferred income at 1 April 2022	297,314	274,200
Resources deferred during the year	(82,305)	(64,430)
Amounts released from previous years	43,627	43,627
Deferred income at 31 March 2023	258,636	253,397

Deferred income represents income deferred for contract funding received in advance and grant funding whose conditions will be met in future years.

16. Restricted funds

2023	Balance at 31 March 2022	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2023
	£	£	£	£	£
Crystal Peaks	330	-	(330)	-	-
SCC - Age HUB	974	11,250	(11,393)	-	831
SCC - PKW Community Wellbeing	663	36,903	(34,741)	(1,243)	1,582
SCC - PKW Social Prescribing	-	25,000	(26,243)	1,243	-
SCC - PKW Dementia	-	34,000	(32,741)	-	1,259
SCC - SDAA Dementia Friendly Sheffield	26,310	15,000	(14,680)	-	26,630
NHS - Porter Valley Transformational	1,566	12,453	(13,180)	-	839
NHS - Dementia People Keeping Well	-	5,000	-	-	5,000
NHS - GP Referrals	-	67,650	(68,891)	1,241	-
Age UK - Building Resilience	-	29,250	(29,650)	400	-
Age UK Scams Prevention	-	39,458	(39,699)	241	-
Age UK Bereavement	-	20,000	(19,764)	-	236
Age UK Walking Programme	-	3,333	(4,237)	904	-
Age UK MCST Programme	-	21,938	(22,007)	69	-
Energy Saving Trust	-	33,832	(33,880)	48	-
Total restricted funds	29,843	355,067	(351,436)	2,903	36,377

SCC - Age HUB	This fund is to support older people to have their say on local public policy.
SCC - PKW Community Wellbeing	This fund is to support people in South-West Sheffield to live healthy lives.
SCC - PKW Social Prescribing	This fund is to support GPs patients in South-West Sheffield with non-medical health interventions.
SCC - PKW Dementia	This fund is to support people living with dementia in South-West Sheffield.
SCC - SDAA Dementia Friendly Sheffield	This fund is to create a dementia-friendly city.
NHS - Porter Valley Transformational	This fund is to support GP patients in the Porter Valley neighbourhood with non-medical health interventions.
NHS - Dementia People Keeping Well	This fund is to support to people living with dementia.
NHS - GP Referrals	This fund is to support GP patients in Sheffield with non-medical health interventions.
Age UK - Building Resilience	This fund is to support older people who have experienced a life-changing event.
Age UK Scams Prevention	This fund is to support older people who have been scammed or are at risk of being scammed.
Age UK Bereavement	This fund is to support older people who have been bereaved.
Age UK Walking Programme	This fund is to support older people with long-term health conditions to become more active.
Age UK MCST Programme	This fund is to support older people with dementia.
Energy Saving Trust	This fund is to support older people who are in fuel poverty.

16. Restricted funds (continued)

2022	Balance at 31 March 2021	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2022
	£	£	£	£	£
Crystal Peaks	330	-	-	-	330
SCC - Age HUB	809	11,250	(11,085)	-	974
SCC - PKW Social Prescribing	10,564	25,000	(26,216)	(9,348)	-
SCC - PKW Community Wellbeing	1,839	36,903	(47,427)	9,348	663
SCC - PKW Dementia	2,767	30,000	(33,943)	1,176	-
SCC - SDAA Dementia Friendly	29,722	60,816	(64,228)	-	26,310
SCC - Dementia Advice Service	5,403	-	-	(5,403)	-
NHS - Porter Valley Transformational	78	49,812	(48,324)	-	1,566
Age UK - No Place Like Home	366	-	-	(366)	-
Age UK - Building Resilience	1,302	29,250	(30,642)	90	-
Age UK Scams Prevention	0	9,864	(11,146)	1,282	-
Age UK Walking Football	0	17,480	(17,480)	-	-
NHS - GP Referrals	627	67,650	(68,418)	141	-
Energy Saving Trust	3,519	30,239	(33,758)	-	-
Macmillan	1,078	28,874	(30,226)	274	-
SYHA Age Friendly	2,237	-	-	(2,237)	-
	60,641	397,138	(422,893)	(5,043)	29,843
Coach House	132,665	716,053	(580,942)	(267,776)	-
Total restricted funds	193,306	1,113,191	(1,003,835)	(272,819)	29,843

17. Unrestricted funds

2023	Balance at 31 March 2022	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2023
	£	£	£	£	£
Designated funds	102,459	97,000	(57,306)	-	142,153
General funds	986,316	1,978,791	(1,785,959)	(2,903)	1,176,245
Total unrestricted funds	1,088,775	2,075,791	(1,843,265)	(2,903)	1,318,398

2022	Balance at 31 March 2021	Incoming resources	Resources expensed	Transfer	Balance at 31 March 2022
	£	£	£	£	£
Designated funds	240,688	-	(55,341)	(82,888)	102,459
General funds	547,410	1,180,958	(1,097,759)	355,707	986,316
Pension reserve	(2,000)	7,000	(5,000)	-	-
Total unrestricted funds	786,098	1,187,958	(1,158,100)	272,819	1,088,775

18. Analysis of net assets between funds

2023	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	393,162	-	393,162
Current assets	1,360,563	36,377	1,396,940
Creditors due within one year	(435,327)	-	(435,327)
	<u>1,318,398</u>	<u>36,377</u>	<u>1,354,775</u>

2022	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	398,852	-	398,852
Current assets	1,163,808	29,843	1,193,651
Creditors due within one year	(473,885)	-	(473,885)
	<u>1,088,775</u>	<u>29,843</u>	<u>1,118,618</u>

19. Reconciliation of consolidated net incoming resources to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net incoming resources	236,157	132,214
Interest receivable	(2,126)	(79)
Net outgoing resources from operations	234,031	132,135
Depreciation	33,148	9,500
Impairment	-	545,822
Loss on disposal	5,779	-
(Increase)/decrease in debtors	(160,301)	(264,132)
Increase/(Decrease) in creditors	(38,558)	223,772
Pension adjustment	-	7,000
Net cash inflow from operating activities	<u>74,099</u>	<u>654,097</u>

20. Analysis of net debt

	1 April 2022 £	Cash flows £	Non-cash movements	31 March 2023 £
Cash at bank and in hand	<u>768,886</u>	<u>42,989</u>	-	<u>811,875</u>

21. Financial commitments

As at 31 March the annual commitments under non-cancellable operating leases were as follows:

	Group 2023 £	Company 2023 £	Group 2022 £	Company 2022 £
Due within 1 year	50,483	15,233	35,645	4,770
Due within 1 to 2 years	95,585	48,844	82,483	-
Due within 2 to 5 years	<u>1,500,000</u>	<u>-</u>	<u>1,628,753</u>	<u>-</u>
	<u>1,646,068</u>	<u>64,077</u>	<u>1,746,881</u>	<u>-</u>

Included in the operating leases due later than 5 years is a lease entered into on 1 March 2021 in relation to the Coach House. The lease is for a term of 125 years, of which the first 25 years are rent free, followed by 100 years at £15,000 per annum. The Group has invested funds in renovating this property and this will be used in furtherance of its activities. A sub-lease was signed in March 2022 which rents part of this property to a third party for an annual base rent plus turnover rents.

As at 31 March 2023 the company and the Group had capital commitments of £nil (2022: £nil).

22. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group and amounted to £34,615 (2022: £40,432).

During the year the charity left the Age UK group defined benefit pension scheme.

23. Related party transactions

Transactions with trustees are disclosed in note 10.

The financial results of Age UK Sheffield Enterprises Limited as disclosed in note 12 of these financial statements.

During the year the Group entered into a partnership with CASEwork Services CIC Ltd to provide administrative services to the Group. The Group supported the establishment of the company through a provisional loan of £15,000. The amount of this loan outstanding at the year end is £15,000. Interest of £495 (2022: £Nil) was received during the year and the balance will be repaid over a 10 year period as the company grows.

During the year CASEwork Services CIC Ltd charged the Group amounts totalling £37,787 (2022: £14,415) for the provision of financial services. The amounts still outstanding at the year end total £nil.

Our Trustee, Sarah Fulton Tindall, and Chief Executive, Steve Chu, are also Directors of CASEwork. Since November 2021, Steve Chu has also held the role of Chief Executive of CASEwork on a part-time secondment, initially on an interim basis and substantively since April 2022.

There were no other related party transactions outside of the Group during the current or prior year, nor are there any outstanding balances owing between other related parties outside of the Group at either Balance Sheet date. Group transactions and balances have been eliminated on consolidation.

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