

Sheffield's over-50s experts



Age UK Sheffield Annual report 2017/18

www.ageuk.org.uk/sheffield

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Reference and administrative details of the Charity, its trustees and advisers

For the year ended 31 March 2018

Trustees	<p>Mr David Campbell (Chair)</p> <p>Mrs Mary Butler (appointed 18 May 2017)</p> <p>Mr Graham Duncan (appointed 22 March 2018)</p> <p>Mr Tim Furness</p> <p>Mr John Gray (appointed 22 March 2018)</p> <p>Mr Paul Harriman (resigned 16 August 2018)</p> <p>Mrs Angela Hunt (resigned 1 December 2017)</p> <p>Mrs Morag Maddocks (resigned 1 December 2017)</p> <p>Ms Melanie Perkins</p> <p>Ms Melinda Riley</p> <p>Ms Jo Roy</p> <p>Mr Nigel Smith (appointed 22 March 2018)</p> <p>Mr Liton Ullah (appointed 22 March 2018)</p> <p>Mrs Ruth Wilson (resigned 1 December 2017)</p>
President	Mr Nick Hutton MBE
Vice-Presidents	<p>Mr Graham Moore</p> <p>Mrs Ruth Wilson</p>
Company registered number	05207254
Charity registered number	1108413
Registered office	First Floor, South Yorkshire Fire & Rescue, 197 Eyre Street, Sheffield, South Yorkshire, S1 3FG
Senior management team	<p>Mr Stephen Chufungleung, Chief Executive and Company Secretary</p> <p>Ms Teresa Barker, Deputy Chief Executive / Head of Service Delivery and Standards</p> <p>Ms Jacqui Browne, Head of Finance (up to 31 March 2018)</p> <p>Mr Andy Callard, Business Development Manager (up to 17 October 2017)</p>
Independent auditors	Shorts, Cedar House, 63 Napier Street, Sheffield, South Yorkshire, S11 8HA
Bankers	Barclays Bank plc, 2-12 Pinstone Street, Sheffield, South Yorkshire, S1 2HN
Solicitors	Keebles LLP, Commercial House, 14 Commercial Street, Sheffield, S1 2AT



Introduction

The year 2017/18 was one of huge change for Age UK Sheffield. It was a year in which we relocated our office after over a decade at Castle Square and experienced significant changes in our contract arrangements.

What stayed the same was the need for high quality information, advice and services for people aged 50 and over in Sheffield and our absolute commitment to responding to that need.

We were significantly affected by the loss of our biggest contract, which had seen us provide a floating housing support service to older people for several years. That outcome impacted not only on our frontline services, but also on the back office infrastructure that supported them. Several staff members who had given long service to us sadly left us with grateful thanks for their brilliant contributions to improving the lives of vulnerable older people in Sheffield.

The other major change was our office relocation from Castle Square to the first floor of the South Yorkshire Fire & Rescue headquarters on Eyre Street. As the city footfall has moved from the Castle area to The Moor, this move has brought us back to the shopping area visited by lots of older people every day. It has also upgraded our office facilities whilst bringing us reduced office costs.

High quality

Both these significant changes required a large input of staff time and effort but it is to the huge credit of our team that the vitally important services we continue to provide to older people went from strength to strength. During 2017/18 we:

- Upgraded our ISO9001 quality accreditation from the 2012 standard to the 2015 standard;
- Became one of only a handful of advice organisations in Sheffield to hold the Advice Quality Standard, as a result of achieving the new Age UK Information and Advice Quality Standard; and
- In April 2018, we passed the new, tougher, Age UK Charity Quality Standard audit with flying colours.

This emphasis on quality, high standards, and providing great services is of vital importance to us. It flows from our ethos that older people are entitled to receive high quality services; that we care about the people we serve; and that we can be trusted by our customers, their carers and relatives, and the GPs, hospital discharge teams, social workers, and other voluntary sector organisations who refer people to us.

Strengthened governance

During 2017/18 we carried out important work to enable us to face the future with confidence by:

- Recruiting four new Trustees, including a Treasurer;
- Carrying out a full governance review, updating our Code of Governance and associated policies and procedures; and
- Consulting on our new strategy for 2018-21.

Financial performance

Despite the significant variations to our budget caused by the loss of the housing support contract and associated staff restructuring, our financial operating performance was in line with our target of achieving a balanced budget. However, there are three specific, and one-off, reasons why we are reporting a large surplus of £160,000 in this year's accounts:

- Our merger with Sheffield 50+, the local charity which provides voice and representation for older people in the city, brought us new active volunteers and the £31,656 balance of their remaining funding. Around £15,000 of those funds were restricted and spent in-year in line with grant conditions. The remaining £17,000 has been protected for spending on volunteer co-ordination to support older people to influence local policy in the coming years.
- We have carried forward some restricted funding of £48,000 on specific projects that we plan to spend in 2018/19 and 2019/20.
- During 2017/18 we either received or were notified of five legacies with an anticipated value of around £70,000.

These legacies have been received with grateful thanks to the donors. Since November 2015, we have been the recipients of eight legacies, compared to three in the previous seven years. As a consequence, the Board has updated its reserves strategy and resolved to use these legacies to make long-term investments in our provision of services to older people in Sheffield. We are currently pursuing a Heritage Lottery Fund bid to restore the Grade II listed Old Coach House building in Hillsborough Park as an older people's activity centre and community café. If our bid is successful, legacy income will form part of our match funding for this potential new facility.

We are extremely grateful for all the donations and legacies we receive, for they directly benefit our ability to provide services to older people in our city. In expressing these thanks, we also remind potential donors that we are a separate charity from national Age UK. The only way to ensure donated funds are spent supporting older people in Sheffield is to specify the beneficiary as "Age UK Sheffield" with our charity number of 1108413.

Finally, as always, we pay thanks to our team of staff and volunteers for their continued outstanding work to support older people in Sheffield to live independent and fulfilled later lives.

David Campbell

Chair



Steve Chu

Chief Executive




David Campbell



Steve Chu

Trustees' report

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2017 to 31 March 2018.

The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity'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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Age UK Sheffield is a charity and registered company which is governed by a board of Trustees.

Age UK Sheffield Enterprises Limited is a company wholly owned by Age UK Sheffield which is governed by a Board of Non-Executive Directors. It engages in trading activity and transfers its surplus to the Charity. During 2017/18 we restructured the governance of Age UK Sheffield Enterprises Limited, in line with good practice, and recruited a new, independent chair.

Since the Charity and the Group qualifies as small under section 383 of the Companies Act 2006, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.



Charity objectives

During 2018, Age UK Sheffield consulted with the public on our new strategy and updated our vision statement as follows:

“For a city in which older people live independently, with choice and control over their lives, in the best health possible, free from poverty and loneliness.”

Our updated mission statement is:

“To support older people in Sheffield by providing information, advice, advocacy and services which are recognised as a vital part of Sheffield’s infrastructure. We will work in partnership with local statutory and voluntary organisations to benefit, represent and champion the needs of older people in Sheffield.”

We also updated our values, under the headings of Trust, Care and Choice.

We believe in a holistic, person-centred approach, supporting older people to achieve their own 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.

The Trustees’ report below will detail how these objectives were achieved in 2017/18, through the provision of the following services:

- Information and Advice services, supported by Westfield Health, the Henry Smith Charity and the Jusaca Charitable Trust;
- Independent Living Co-ordination services, under contract to NHS Sheffield Clinical Commissioning Group and supported by the Big Lottery Fund, Weston Park Cancer Charity, and the Chancellor using LIBOR fines;
- Wellbeing Centre for people living with dementia and memory loss, under contract to Sheffield City Council, and to privately-funded customers; and
- “At Home” paid-for services.

We also added some important new services to support our ability to deliver these objects. Through our merger with Sheffield 50+, we have strengthened our ability to support older people to influence local public policy to champion the needs of older people.

Our new “In Touch” befriending service has grown rapidly to meet often-expressed needs of lonely and socially isolated older people, by matching them with volunteers who provide them with regular company and support.

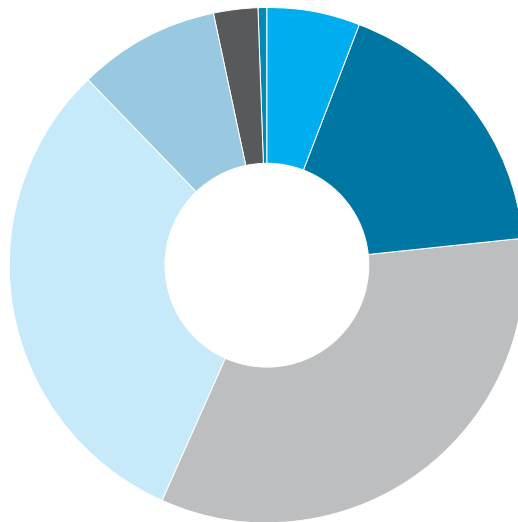
In 2018/19, we are continuing to deliver the same services in pursuit of our objectives.

The people we supported



In 2017/18, we supported **3,241** people with recorded case work and handled around **3,000 additional information enquiries**. Our website recorded over **47,000 page views** from more than **12,000 unique users**.

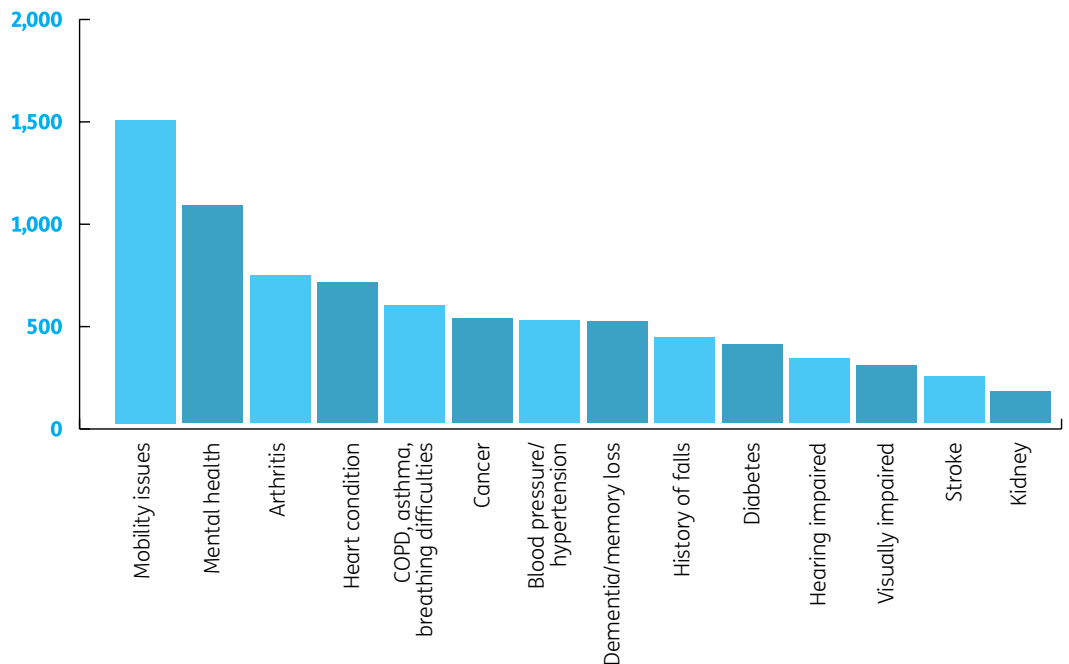
Customer age



Age below 50	17
Age 50 - 59	197
Age 60 - 69	572
Age 70 - 79	1,084
Age 80 - 89	1,014
Age 90+	290
Not stated	84
Total	2,489

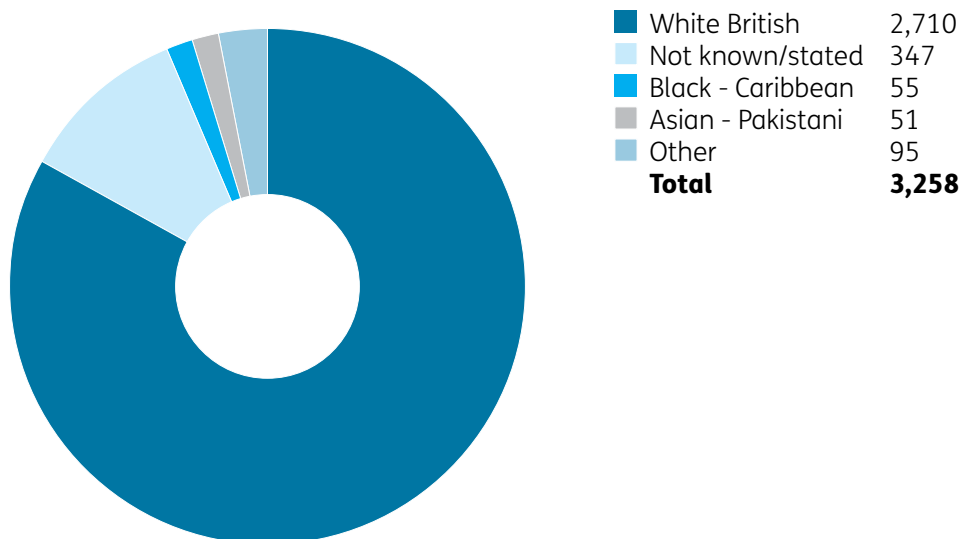
Long-term condition

The majority of our case work customers were living with long-term health conditions – in most cases, multiple long-term conditions.



Ethnicity

The vast majority of our customers are White British.



Customers by ward

Beauchief and Greenhill	170
Beighton	125
Birley	148
Broomhill and Sharrow Vale	65
Burngreave	120
City	7
Crookes and Crosspool	123
Darnall	156
Dore and Totley	97
East Ecclesfield	87
Ecclesall	100
Firth Park	86
Fulwood	74
Gleadless Valley	136
Graves Park	136
Hillsborough	72
Manor Castle	248
Mosborough	107
Nether Edge and Sharrow	66
Park and Arbourthorne	214
Richmond	188
Shiregreen and Brightside	75
Southey	79
Stannington	80
Stocksbridge and Upper Don	63
Walkley	103
West Ecclesfield	94
Woodhouse	135
Not stated	236

Our service operates city-wide across Sheffield. This is reflected in figures that show that, every week, in most Sheffield ward areas, we are providing independence support to at least two people.

Customer feedback

In line with our continuous improvement policy, we record all feedback we receive. These quotes from 2017/18 illustrate the ways in which we support older people in Sheffield, and the local health and social care system.

Building independence

“Now I feel more confident, I don’t need as much help and I can do a lot more stuff myself. I would have never thought I would have been able to be more independent if she hadn’t come in to our lives. I am happier now and my aspirations have changed.”

Empowering older people

“In my opinion the big difference between Age UK Sheffield and other organisations is communication. The other organisations just asked me what I wanted but I didn’t really know what I wanted so how could I ask them for it? Age UK Sheffield offered suggestions that were practical and helped me to see what I wanted and needed.”

Navigating the system

“All the doors have been locked for me and she unlocked them, she was working with great humility, and she could see I had a bad time. She gave me courage and hope. Now I have enough money to pay for food and heating. She has shown me how to sort things out, and helped me every way she can.”

Saving public money and improving patient experience

“The OK To Stay plans written by Age UK Sheffield provide invaluable information which has proven to be pivotal in care planning. A really good example of this is a patient who was taken to hospital on a Friday evening following a fall. The information on the OK To Stay plan was so thorough and in-depth; it enabled Marjorie to be admitted to an intermediate care facility over the weekend rather than waiting until Monday to be assessed. This is practically unheard of and patients usually remain in hospital beds in this situation until the start of the working week.” Community Matron.

Outstanding dementia care

“The Wellbeing Centre is an amazing place, incredible in fact and it has restored my faith in the potential for outstanding dementia care. This service values personhood and blows people’s limiting perspective on life with dementia to smithereens.”

Excellent service

“The support I have had from Age UK Sheffield has made a phenomenal difference to me; they have a magical team. Age UK Sheffield staff are warm and generous and they always want to do their very best for you. Their help far outstrips anything the others have done for me.”

Part of the family

“Thank you to everyone at The Wellbeing Centre – you are angels in disguise. You create quality of life for people in advanced old age facing many challenges. We are so blessed that both my Mum and Dad have been part of your ‘family’.”

Supporting the statutory sector

“[The] voluntary sector [Age UK Sheffield] workers...have an in depth knowledge and understanding of people’s needs, and through this can access information that would not usually be available to statutory services.” Care Quality Commission “Beyond Barriers” report, July 2018.



*This photograph is of a real Age UK Sheffield customer but not the case study described.

CASE STUDY: Benefits at Home – “Sue”

Supported by



Sue was living in debt, and suffering from physical and mental ill health. She phoned Age UK Sheffield on recommendation from a friend. Sue was supported to claim benefits that cleared her debts and provided her with a weekly income, providing hope for an improvement in her mental wellbeing.

Sue says: “I felt like I wasn’t being judged and ended up telling her things I hadn’t even shared with my friends. I am debt free and I have an income which means I can live more comfortably. I can afford to visit my family and stay with them sometimes, and can pay to get some help in to my home.”

Sue	
What we found	How we helped
<ul style="list-style-type: none"> ✗ Overwhelmed by debt ✗ Physical and mental health issues ✗ Socially isolated, family live away from Sheffield 	<ul style="list-style-type: none"> ✓ Supported to apply for Attendance Allowance and Pension Credit ✓ Increased income by £7,500 per year plus £4,600 back pay ✓ Debts cleared and can now afford to visit family and get help at home

Funding our services

Most of our services are delivered under contract or through grant aid. We continue to be extremely grateful to everyone who funds us to support older people in Sheffield.

Our Independent Living Co-ordination services, which form the majority of our work, are supported by the following organisations:

- NHS Sheffield CCG
- Weston Park Cancer Charity
- Big Lottery Fund
- The Chancellor of the Exchequer, distributing LIBOR fines

Our Information and Advice service is funded by:

- Westfield Health
- Henry Smith Charity
- Jusaca Charitable Trust
- Age UK

In February 2018 we began a new project to provide a dedicated information and advice service to renal patients, funded by Sheffield Area Kidney Association.

In addition, we continue to receive significant, long-standing support from the following organisations:

- Sheffield City Council
- Marjorie Coote Older People's Charity Fund
- Sheffield Town Trust
- Sheffield Church Burgesses Trust

A full list of our supporters in 2017/18 can be found on page 22.



Age UK

We are proud to be both a strong and independent, local charity, which only works in Sheffield; and a brand partner of the national Age UK network. This relationship enables us to meet local demands and priorities whilst benefitting from national infrastructure, research and expertise.

We are grateful to Age UK and their commercial partners for their ongoing support for a range of projects we are delivering, including Benefits Take-Up and Handyperson services supported by E.ON and First Utility; the Santander Later Life Links initiative; and the Prudential Ambitions for Later Life project.

“We are proud to be both a strong and independent, local charity, which only works in Sheffield; and a brand partner of the national Age UK network”.



*This photograph is of a real Age UK Sheffield customer but not the case study described.

CASE STUDY: Cancer support – “Iris and Stan”

Iris and Stan are both in poor health and dependent upon each other for support. They were struggling to manage on their low income. Following our support, their income increased by over £18,000 per year and they are able to pay for the support they need.

Supported by



Iris and Stan

What we found

- ❌ Difficulties paying their rent
- ❌ Problems getting their rubbish bins out for collection
- ❌ Difficulties accessing local facilities
- ❌ Concerns their home would not be suitable as their health deteriorated

How we helped

- ✅ Supported to apply for benefits, increasing their income by £18k per year
- ✅ Arranged for bins to be collected to reduce risk of falls
- ✅ Completed blue badge applications to improve ability to get out and about

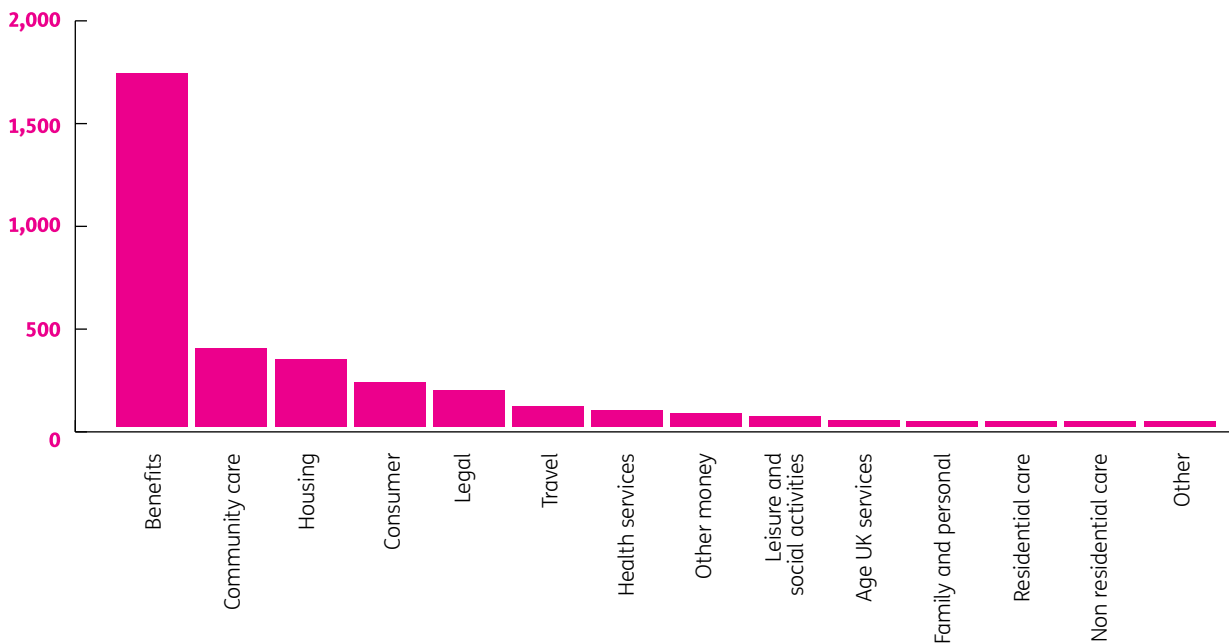
Information and Advice (I&A)

Our most in-demand service by volume, we supported over 1,600 people with advice, information and signposting, as well as handling around 3,000 more enquiries during the course of the year. Over two-thirds of I&A enquiries relate to poverty and benefits assessments. Thousands of older people in Sheffield are not claiming the benefits to which they are entitled, and during 2017/18 we supported 580 people to claim £2.9m in additional benefits they were not previously claiming.

We have continued to expand our outreach information and advice to grow our reach into the wider community, providing sessions at the new Clifford House community facility which is part of St Luke’s Hospice; at the Memory Service; at a new Cancer Information Hub in the Moor Market; and in a brand new service we are providing to renal patients, supported by Sheffield Area Kidney Association.

Our information and advice service could not exist without the generous support of Westfield Health. To help meet the huge demand on this service, during 2017/18 we were grateful to secure support from the Henry Smith Charity, as well as delivering national Age UK I&A projects supported by Prudential and Santander.

Type of enquiry 2017/18



Supported over **1,600** people with advice, information and signposting



Handling around **3,000** more enquiries during the course of the year



Supported **580** people to claim **£2.9m** in additional benefits they were not previously claiming



*This photograph is of a real Age UK Sheffield customer but not the case study described.

CASE STUDY: GP referral – “Enid”

Enid had suffered several falls and had not been out of the house for eight months. With Age UK Sheffield’s help to access strengthening exercises and falls prevention support, she is now back to collecting her own pension from the Post Office each week.

Supported by



Enid

What we found

- ✘ Suffered several falls and living with long-term health conditions
- ✘ Reliant on neighbours for shopping and pension collection
- ✘ Lonely and angry she couldn’t do the things she used to do

How we helped

- ✔ Doing chairbics in the home has led to her feeling confident to get out and about
- ✔ Registered with Community Transport to increase independence
- ✔ Aids and adaptations in the home have reduced the risk of falls
- ✔ Increased benefit income of £5k per year

Independent Living Co-ordination (ILC services)



Providing person-centred services is at the heart of our service delivery and our ILC service is core to that work. We support older people to achieve the things they need, want or aspire to in a holistic way. Whether it be maximising income, connecting to local groups and the transport to get there, or facilitating aids and adaptations to enable people to stay safe and independent at home, our ILC service is second to none.

During 2017/18 we continued our cancer service supported by Weston Park Cancer Charity; our Benefits at Home service supported by the Big Lottery Fund; and our Aged Veterans service supported by the Ministry of Defence. We also continued to receive support from NHS Sheffield Clinical Commissioning Group (the CCG) to take GP referrals.

We were also involved in two innovative pilot healthcare projects. The first, being part of a “virtual ward”, saw us write “OK to stay” plans for dozens of older people, helping to prevent unnecessary hospital admissions. In their “Beyond Barriers” report, published in July 2018, the Care Quality Commission said following a visit to Sheffield: “One example we saw in systems was a hospital-at-home services, sometimes referred to as virtual wards, that were aimed at people at high risk of admission and were having a positive impact on preventing people from relying on the hospital. Evidence shows that there is a potential reduction in elective hospital admissions and outpatient attendances in the six months after a virtual ward intervention is used.”

We were also at the forefront of NHS England’s pilot of Integrated Personal Commissioning in Sheffield, undertaking assessments of the needs of scores of older people throughout the city.



Wellbeing Centre

Whilst most of our work is done on a 1-2-1 basis behind closed doors, the Wellbeing Centre provides us with the most visible manifestation of person-centred services. It is our dementia day service, in the Centre in the Park, Norfolk Park, and it provides a fantastic experience for people living with dementia.

We accept and thrive on supporting people who have been turned away from other services. Frequently, carers and relatives are amazed as older people come back to their former selves for a few hours at the Wellbeing Centre. The Wellbeing Centre is supported by Sheffield City Council, and also welcomes people living with dementia and memory loss on a paid-for basis.



*This photograph is of a real Age UK Sheffield customer but not the case study described.

CASE STUDY: Wellbeing Centre – “Ronnie”

Ronnie lives with dementia and was becoming socially isolated. His wife Betty was becoming more and more exhausted supporting him. Ronnie’s family found our Wellbeing Centre; his twice-weekly visits are great for him and provide much-needed respite for Betty.

Supported by



Ronnie

What we found

- ✗ Unable to leave the house unaccompanied
- ✗ Little social contact other than family
- ✗ Frustrated, as he used to be very social and active
- ✗ Increasing pressure on Betty

How we helped

- ✓ Brings his cornet to the Wellbeing Centre to play and sing-a-long with others
- ✓ Discovered new interests such as baking
- ✓ Enjoying his new social network
- ✓ Betty has benefited from the respite

Volunteering

In a “first” for Age UK Sheffield, we recruited our first dedicated Volunteer Co-ordinator, who has delivered a step-change in volunteer contribution to our services, including:

- Information and Advice services;
- Our new “In Touch” befriending service, and;
- Recruiting runners and marshalls for the Sheffield Half Marathon fundraiser.

The difference in our volunteering capacity is stark. In 2017, we had a total of 48 active volunteers (of whom 26 were aged 50 and above). In 2018, we had 79 active volunteers (of whom 39 were aged 55 and above).



Voice and representation

2017/18 saw us branch out into older people’s voice and representation through our merger with another local charity, Sheffield 50+. This has provided us with valuable additional voluntary resources to stand up for older people’s views locally. For the first time, we were chosen by Sheffield City Council to lead their Age Hub, which ensures older (and younger) people are consulted on policy issues. We worked with Age UK nationally to host a social care focus group with Clive Betts MP, which contributed to a national report, “Why call it care when nobody cares?” And our Chief Executive partnered with Gill Furniss MP to hold an older people’s listening event in Sheffield Town Hall.

Other services

During the year we also recruited our first Community Development Worker, who has worked with the local community to develop new Sporting Memories, Life Stories, fitness and table tennis sessions for older people in Dore and Totley.

Our paid-for service, “At Home with Age UK Sheffield” continues to develop, providing support with simple tasks that most people take for granted but for some older people can be the difference between staying at home and having to move into care.

We have also continued our Friends of Age UK Sheffield members’ club, expanding the range of events and exclusive offers available to them.



The future

Obtaining grants and contracts to deliver much-needed, high quality services to older people in Sheffield is, and always will be, of huge importance to us. We are aiming to supplement this by investing to create opportunities to generate our own earned income.

During early 2018 we were successful in obtaining small grants from both the Heritage Lottery Fund and the Architectural Heritage Fund, to enable a viability appraisal to take place on the restoration of a Grade II listed building in Hillsborough Park. The report on The Old Coach House was received in June 2018, and has enabled us to submit capital bids to the Heritage Lottery Fund and other potential funders, to enable the creation of a brand new older people's activity centre and a café open to the entire local community. If realised, we hope this will provide fantastic new local resources whilst generating some funds which can be used to support our charitable services.

We are also exploring the possibility of opening our first retail shops with the aim of generating further unrestricted funding whilst adding, literally, new front doors into our full range of services.

We are faced by the same financial challenges which are affecting many charities in Sheffield and nationally throughout the Age UK network. But by maintaining the excellence of our services, and developing our exciting future plans, we believe there continues to be a bright future for Age UK Sheffield.

“The report on The Old Coach House was received in June 2018, and has enabled us to submit capital bids to the Heritage Lottery Fund and other potential funders, to enable the creation of a brand new older people's activity centre and a café open to the entire local community”.

Financial review

The accounts for 2017/18 record a significant surplus for the second consecutive year; as in 2016/17, it should be recognised that this headline figure is inflated by unplanned (but extremely welcome) legacy donations and a small amount of carried-forward restricted funds.

The 2017/18 accounts also benefit from a sum of £31,656 which was transferred to Age UK Sheffield upon completion of its merger with Sheffield 50+. This has been described further in the introduction to this report.

Aside from these exceptional items, our operating activities delivered a balanced budget for the second year running, following two years of planned investments. This achievement, in spite of a very difficult funding environment, is the result of careful budgeting, a lot of hard work by our staff team, and a significant reduction in our core costs, which have halved in around two years.

The legacies received in that period have provided an extremely welcome benefit to our reserves. The Board of Trustees is committed to ensuring those legacies are invested for the long-term benefit of older people in Sheffield, and is therefore planning to invest those funds in development projects.

Whilst our financial performance for the past two years has been good, the outlook for the future is extremely challenging. Funding reductions mean we have set a deficit budget in 2018/19 and much of our current grant and contract funding is scheduled to end in 2019. Consequently, plans are in place to seek to renew or replace existing funding, whilst exploring other potential new funding streams.

Income overview

Our main sources of income continue to be contracts and grants to support our Independent Living Co-ordination work with vulnerable older people. We also receive grants to deliver our free Information and Advice service. Income from paid-for services continues to increase gradually. However, our insurance commissions fell significantly, in line with national trends.

Expenditure overview

The vast majority of our spending continues to be on staff to deliver services to older people. Our core costs reduced in 2017/18 through our office relocation and a back office restructure, both of which have reduced our long-term core costs.

Aside from current employees, we contribute to a repayment plan in respect of a defined benefit pension scheme in respect of one former member of staff.

Operational performance

Our business plan sets key performance indicators in a number of areas. Our income generation targets in relation to community fundraising, insurance trading, members and paid-for services fell below our targets due to a range of market factors. However, in all cases these were offset by reduced staffing costs.

Our charitable services have performance indicators in relation to improved outcomes, volunteer availability, and customer satisfaction. All these aspects performed strongly through the year.

All our contracted services were delivered in line with output requirements, and our charitable services continue to be in high demand.

Cash position

As at 31 March 2018 the Charity had a cash balance of £600,000 on a consolidated basis (2017: £453,000).

Fixed assets

We did not own any fixed assets of significant value at 31 March 2018.

List of financial supporters

We would like to thank everyone who supported the work of Age UK Sheffield during 2017/18, and give particular thanks for the financial support given by:

- Age Better in Sheffield
- Age UK
- Arthur Lee Trust
- The Big Lottery Fund's Reaching Communities programme
- Chancellor of the Exchequer, distributing LIBOR fines
- Sheffield Church Burgesses Trust
- Cutlers Co Charitable Trust
- Henry Smith Charity
- The Jusaca Charitable Trust
- Marjorie Coote Old People's Charity Fund
- NHS Sheffield Clinical Commissioning Group
- Santander UK
- Sheffield Hallam University
- Sheffield City Council
- Sheffield Town Trust
- South Yorkshire Community Foundation
- Westfield Health Charitable Trust
- Weston Park Cancer Charity
- WG Edwards Charitable Foundation
- Individual donors and fundraisers
- Individual customers and members
- Individuals leaving legacies to Age UK Sheffield

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Reserves policy

Age UK Sheffield has reviewed and updated its reserves policy in 2018, as part of a wider governance review. Trustees have set a new minimum reserves figure of £300,000, which has been developed from calculations of the costs of ensuring an orderly closedown of the charity,

should such a scenario arise in future.

At 31 March 2018, Age UK Sheffield's free reserves (unrestricted funds excluding designated reserves) were £443,000, compared to £310,000 in the previous year. The pension deficit reserve valuation shows a liability of £29,000 (2017: £47,000 liability).

The Charity therefore has adequate working reserves and the funding necessary to contribute to our future plans and continued development. In addition, it has reserves available to make long-term investments in its future. The Trustees' current priorities are around our project to create an older people's centre in Hillsborough Park, and making some other commercial investments, such as in retail shops.

Reserves levels will be kept under regular review as Trustees have set a deficit budget for 2018/19 and the longer-term funding picture remains challenging.



Structure, governance and management

Constitution

Age UK Sheffield is a charitable company, limited by guarantee. 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 and adopted new Memorandum and Articles of Association.

In planning the Charity's activities, the trustees have regard to both the Charity Commission's general guidance on public benefit and the specific objectives of the Charity. Age UK Sheffield meets this guidance as all its services deliver the charitable purpose of 'relief for people in need by reason of age' as set out in the Charities Act 2006.

Age UK Sheffield Enterprises Limited is a wholly owned subsidiary of Age UK Sheffield which gift-aids all its profits back to the Charity to provide a valuable source of unrestricted income. Its primary business sells a wide range of products including household, travel and motor insurance and funeral plans. All the products are tailored to meet the particular requirements of people over 50 and the insurance products are regulated by the Financial Conduct Authority.

The Age UK Sheffield group is a Brand Partner of the national Age UK network, meaning we are completely independent. Our Memorandum and Articles of Association are clear that we support older people within the city of Sheffield.

In April 2017, we completed a merger with another local charity, Sheffield 50+, whose main objects are to support the voice and representation of older people in Sheffield, and this has been absorbed into Age UK Sheffield.

Governance

Our Code of Governance was updated in the spring of 2018, following the recent update to the Charity Governance Code. It is organised into seven sections, as follows:

1. Organisational purpose
2. Leadership
3. Integrity
4. Decision-making, risk and control
5. Board effectiveness
6. Diversity
7. Openness and accountability

As part of this review, we followed advice from Age UK to separate the governance of our trading arm from our charity, and recruited a new, independent Chair for the trading arm.

Trustees

Age UK Sheffield is an independent local organisation, accountable to a governing Board of Trustees representing a cross-section of the local community. When Trustees retire, or there is a need for additional Trustees, an open and inclusive recruitment process is initiated and Age UK Sheffield proactively seeks applications from under-represented groups.

The year 2017/18 was the first full year in the role for our Chair, David Campbell. Following the addition of three new Trustees in the spring of 2017, four further Trustees were recruited in March 2018: Graham Duncan, John Gray, Nigel Smith and Liton Ullah.

At the same time, a new independent chair of our trading arm, Kamal Chauhan, was appointed. Two charity Trustees sit on the trading arm Board, and there is currently a vacancy for an additional independent director.

Our Trustee induction process was described as "a model of best practice" in our Charity Quality Standard inspection in April 2018. The report said: "There is a trustee's handbook that covers all aspects of the role. This includes an induction checklist to ensure everything is covered and signed off. There is also a trustee away day, allocating a buddy trustee, meeting the CEO, managers and staff and shadowing the main service areas."

Trustees serve for a three-year term and may usually serve for up to three terms. During 2017/18, three long-serving Trustees – Angela Hunt, Morag Maddocks and Ruth Wilson – resigned their roles.

We appointed two Vice-Presidents, Graham Moore and Ruth Wilson.

Meetings

Trustees meet, as a collective board, six times each year to receive operational, strategic and governance reports. They additionally attend an annual strategic planning day. The Finance Group meets five times during the year (prior to Board meetings) and has a remit to report on trends, achievements and difficulties and to advise the Board on strategic and financial planning for the organisation. The Human Resources and Governance

Group meets quarterly to oversee HR-related issues, policies and procedures. The Scheme of Delegation was updated in 2018, as part of the review of the Code of Governance.

All our Trustees had good meeting attendance records during 2017/18:

Trustee	Attendance
David Campbell	6/6
Mary Butler	3/4
Tim Furness	3/6
Paul Harriman	4/6
Angela Hunt (up to 1/12/17)	2/4
Morag Maddocks (up to 1/12/17)	2/4
Melanie Perkins	4/6
Melinda Riley	5/6
Jo Roy	5/6
Ruth Wilson (up to 1/12/17)	2/4

Graham Duncan, Liton Ullah, John Gray and Nigel Smith were appointed on 22nd March 2018

Trustee development

At Age UK Sheffield we are committed to the development of our Trustees as part of our governance processes. Trustees attended the following courses and workshops during 2017/18:

Trustee	Development
David Campbell	Oct 2017 – Age England Association Conference Feb 2018 – Age UK Association of Chairs
Mary Butler	Trustee induction
Tim Furness	Trustee induction July 2017 – BHP Trustee Training seminar
Paul Harriman	Trustee induction
Melanie Perkins	Nov 2017 – Age UK Financial Governance & Management conference

Partnerships

Age UK Sheffield believes that, wherever it is in the best interests of the city's older people, the organisation should work in partnership with other organisations.

Within Sheffield, we work closely with the Local Authority, GP surgeries, local hospitals and voluntary sector partners

to receive referrals for services. We signpost to hundreds of local resources and services for the benefit of our customers. We also work with local partners to advocate collectively for the benefit of the voluntary sector in Sheffield.

The Charity is also involved with a number of networks through its membership of the Age England Association and the Age UK Yorkshire and Humber Regional Company. Our Chief Executive is a Director of both these companies.

Pay policy for senior staff

The directors are the Charity's Trustees, all of whom give their time freely, and without remuneration. Details of Trustees' expenses and related party transactions are disclosed in note 11 and note 23 to the accounts.

The senior management team are the Chief Executive and Deputy Chief Executive. They are responsible for directing and controlling, running and operating the Charity on a day-to-day basis. The pay of the senior staff is reviewed annually as part of the whole organisation's annual pay award review, which is subject to market conditions.

Risk management

Strategic risk management is regularly overseen by the Board. An annual review of the risk register takes place, with quarterly updates supplied to the Board to give Trustees oversight of changes to the main risks.

Like many local charities, the main risks facing Age UK Sheffield relate to the potential for not achieving income targets, either through loss of contracts or a reduction in grants and gifts. These risks are being managed through a proactive approach to assessing contract risks and opportunities, a planned programme of grant-aid appeals, and ongoing attention to the costs of the organisation.

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

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 16 November 2018 and signed on their behalf by:

Mr David Campbell
Chair

Independent auditors' report to the members of Age UK Sheffield

Opinion

We have audited the financial statements of Age UK Sheffield (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2018 set out on pages 28 to 49. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 parent Charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Group strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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, and to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Howard Freeman (Senior statutory auditor)

for and on behalf of

Shorts

Chartered Accountants
Statutory Auditor

Cedar House
63 Napier Street
Sheffield
South Yorkshire
S11 8HA

16 November 2018

Consolidated statement of financial activities

(including income and expenditure account)

For the year ended 31 March 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations and legacies	2	128,332	107,744	236,076	231,185
Charitable activities	3	670,094	238,979	909,073	1,134,566
Other trading activities	4	100,270	-	100,270	129,637
Investments	5	323	-	323	133
Other income	6	17,058	24,238	41,296	7,151
TOTAL INCOME		916,077	370,961	1,287,038	1,502,672
EXPENDITURE ON:					
Charitable activities	7,9	759,895	370,896	1,130,791	1,388,624
TOTAL EXPENDITURE	7	759,895	370,896	1,130,791	1,388,624
NET INCOME BEFORE TRANSFERS		156,182	65	156,247	114,048
Transfers between funds	17	(21,131)	21,131	-	-
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		135,051	21,196	156,247	114,048
Actuarial gains/(losses) on defined benefit pension schemes	21	4,000	-	4,000	(18,000)
NET MOVEMENT IN FUNDS		139,051	21,196	160,247	96,048
RECONCILIATION OF FUNDS:					
Total funds brought forward		369,690	26,724	396,414	300,366
TOTAL FUNDS CARRIED FORWARD		508,741	47,920	556,661	396,414

The notes on pages 32 to 49 form part of these financial statements.

Consolidated balance sheet

As at 31 March 2018

		2018	2017
	Note	£	£
FIXED ASSETS			
Tangible assets	12	8,105	1,480
CURRENT ASSETS			
Debtors	15	92,494	113,998
Cash at bank and in hand		600,107	453,334
		692,601	567,332
CREDITORS: amounts falling due within one year	16	(115,045)	(125,398)
NET CURRENT ASSETS		577,556	441,934
TOTAL ASSETS LESS CURRENT LIABILITIES		585,661	443,414
Defined benefit pension scheme liability	21	(29,000)	(47,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES		556,661	396,414
CHARITY FUNDS			
Restricted funds	17	47,920	26,724
Unrestricted funds	17	508,741	369,690
TOTAL FUNDS		556,661	396,414

Included in unrestricted funds are designated funds of £94,538 (2017: £107,057).

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

The financial statements were approved and authorised for issue by the Trustees on 16 November 2018, and signed on their behalf, by:

Mr David Campbell, Chair

The notes on pages 32 to 49 form part of these financial statements.

Charity balance sheet

As at 31 March 2018

		2018	2017
	Note	£	£
FIXED ASSETS			
Tangible assets	12	8,105	1,480
Investments	13	2	2
		8,107	1,482
CURRENT ASSETS			
Debtors	15	99,641	130,659
Cash at bank and in hand		563,860	385,255
		663,501	515,914
CREDITORS: amounts falling due within one year	16	(117,256)	(102,503)
NET CURRENT ASSETS		546,245	413,411
TOTAL ASSETS LESS CURRENT LIABILITIES		554,352	414,893
Defined benefit pension scheme liability	21	(29,000)	(47,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES		525,352	367,893
CHARITY FUNDS			
Restricted funds		47,920	26,724
Unrestricted funds		477,432	341,169
TOTAL CHARITY FUNDS		525,352	367,893

Included in unrestricted funds are designated funds of £94,538 (2017: £107,057).

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

The financial statements were approved and authorised for issue by the Board on 16 November 2018, and signed on their behalf by:

Mr David Campbell, Chair

The notes on pages 32 to 49 form part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 March 2018

	2018	2017
Note	£	£
Cash flows from operating activities		
Net cash provided by operating activities	19 155,017	46,819
Cash flows from investing activities:		
Interest received	323	133
Purchase of tangible fixed assets	(8,567)	(1,480)
Net cash used in investing activities	(8,244)	(1,347)
Change in cash and cash equivalents in the year	146,773	45,472
Cash and cash equivalents brought forward	453,334	407,862
Cash and cash equivalents carried forward	20 600,107	453,334

The notes on pages 32 to 49 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies

1.1 Company status and general 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 3. 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 of financial statements

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 Sheffield 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

1.3 Basis of consolidation

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

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.

1.4 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

1.5 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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted 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.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

1. Accounting policies (continued)

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

1.6 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 administration of the Charity and compliance with constitutional and statutory requirements.

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

All expenditure is inclusive of irrecoverable VAT.

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line

basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Interest receivable

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

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements

Over remaining term of lease

Office equipment

20%-30%

Computer equipment

33%

1.10 Investments

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

1.11 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.

1.12 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.

1.13 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

1. Accounting policies (continued)

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 within interest payable and similar charges.

1.14 Financial instruments

The Charity 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.

1.15 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.

1.16 Pensions

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

The Charity also participates in the Age UK Retirement Benefits scheme, a multi employer defined benefit scheme. A liability for the Charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined

benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

1.17 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 Charity and which have not been designated for other purposes.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity 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.

1.18 Critical accounting estimates and areas of judgement

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

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. In the opinion of the Trustees there are no 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.

Critical areas of judgement:

In the opinion of the Trustees there are no critical areas of judgement required in preparing these financial statements.

2. Income from donations and legacies

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Donations, grants and fundraising	39,802	107,744	147,546	125,115
Legacies	73,530	-	73,530	86,666
Age UK	15,000	-	15,000	19,404
Total donations and legacies	128,332	107,744	236,076	231,185
Total 2017	159,120	72,065	231,185	

3. Analysis of income from charitable activities by type of income

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Group Support	130,594	56,488	187,082	768,484
Support in the Home	498,750	112,602	611,352	305,702
Information & Advocacy	40,750	69,889	110,639	60,380
Total	670,094	238,979	909,073	1,134,566
Total 2017	981,884	152,682	1,134,566	

4. Other trading activities

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Charity trading income				
Age UK Sheffield Enterprises	<u>100,270</u>	-	<u>100,270</u>	129,637
Net income from other trading activities	<u>100,270</u>	-	<u>100,270</u>	129,637

Charitable trading income in 2017 was solely in relation to unrestricted funds.

5. Investment income

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Bank and other interest receivable	<u>323</u>	-	<u>323</u>	133
	<u>323</u>	-	<u>323</u>	133
Total 2017	<u>133</u>	-	<u>133</u>	

6. Other incoming resources

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Reimbursed expenses	-	9,508	9,508	7,151
Sheffield 50 plus	16,926	14,730	31,656	-
Other income	132	-	132	-
	17,058	24,238	41,296	7,151
Total 2017	2,488	4,663	7,151	

7. Analysis of expenditure on charitable activities

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2018	2018	2018	2017
	£	£	£	£
Premises costs	30,541	4,825	35,366	114,865
Administrative costs	2,060	94,749	96,809	56,964
Staff costs	428,875	231,574	660,449	771,953
Project costs	4,529	32,258	36,787	83,892
Support costs (note 8)	293,890	7,490	301,380	360,950
	759,895	370,896	1,130,791	1,388,624
Total 2017	1,172,683	215,941	1,388,624	

8. Allocation of support costs

	Total funds	Total funds
	2018	2017
	£	£
Management & Business Support	237,356	260,179
Infrastructure	25,814	39,592
Development	38,210	61,179
	<hr/>	<hr/>
Total	301,380	360,950
	<hr/> <hr/>	<hr/> <hr/>

9. Governance costs

Included in support costs are governance costs of £24,751 (2017 - £31,223).

10. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £7,750 (2017 - £7,750), and tax compliance services of £750 (2017 - £750).

11. Staff costs

Total redundancy / termination payments amount to £12,311 (2017 - £14,325) and related to contracts ending and reorganisation. Included in creditors at the year end is £nil (2017 - £nil) relating to redundancy / termination payments.

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

	2018	2017
	No.	No.
Average number of employees	50	59

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

The Trustees neither received nor waived any remuneration during the year (2017 - £nil). No Trustees are accruing pension arrangements (2017 - £nil). No Trustees were reimbursed expenses in the year (2017 - £nil).

The total amount of employee benefits received by key management personnel is £146,524 (2017 - £153,162). Age UK Sheffield considers its key management personnel comprise of the Senior Management Team.

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

	2018	2017
	£	£
Wages and salaries	790,104	925,007
Social security costs	55,369	67,514
Pension costs	15,387	20,644
Total	860,860	1,013,165

12. Tangible fixed assets

	Leasehold improvements	Office equipment	Computer equipment	Total
Group	£	£	£	£
Cost				
At 1 April 2017	33,567	82,366	35,779	151,712
Additions	-	7,767	800	8,567
Disposals	(33,567)	-	-	(33,567)
At 31 March 2018	-	90,133	36,579	126,712
Depreciation				
At 1 April 2017	33,567	82,366	34,299	150,232
Charge for the year	-	1,942	-	1,942
On disposals	(33,567)	-	-	(33,567)
At 31 March 2018	-	84,308	34,299	118,607
Net book value				
At 31 March 2018	-	5,825	2,280	8,105
At 31 March 2017	-	-	1,480	1,480
Charity				
	£	£	£	£
Cost				
At 1 April 2017	33,567	33,084	14,187	80,838
Additions	-	7,767	800	8,567
Disposals	(33,567)	-	-	(33,567)
At 31 March 2018	-	40,851	14,987	55,838
Depreciation				
At 1 April 2017	33,567	33,084	12,707	79,358
Charge for the year	-	1,942	-	1,942
On disposals	(33,567)	-	-	(33,567)
At 31 March 2018	-	35,026	12,707	47,733
Net book value				
At 31 March 2018	-	5,825	2,280	8,105
At 31 March 2017	-	-	1,480	1,480

13. Fixed asset investments

	Shares in group undertakings
Charity	£
Cost	
At 1 April 2017 and 31 March 2018	2

14. Principal subsidiaries

Age UK Sheffield Enterprises Limited

Subsidiary name	Age UK Sheffield Enterprises Limited
Company registration number	02432642
Basis of control	Equity shareholding
Equity shareholding %	100%
Total assets as at 31 March 2018	£ 60,214
Total liabilities as at 31 March 2018	£ 28,902
Total equity as at 31 March 2018	£ 31,312
Turnover for the year ended 31 March 2018	£ 310,203
Expenditure for the year ended 31 March 2018	£ 287,170
Profit for the year ended 31 March 2018	£ 23,055

Age UK Sheffield Enterprises Limited is consolidated in the group accounts.

15. Debtors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	22,146	38,881	22,146	38,780
Amounts owed by group undertakings	-	-	21,979	18,958
Other debtors	1,033	-	-	-
Prepayments and accrued income	69,315	75,117	55,516	72,921
	92,494	113,998	99,641	130,659

16. Creditors: Amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	31,476	32,913	30,994	15,373
Amounts owed to group undertakings	-	-	9,314	2,951
Other taxation and social security	13,139	18,052	13,139	18,052
Accruals	39,934	57,168	33,313	48,865
Deferred income (see below)	29,400	13,415	29,400	13,415
Other creditors	1,096	3,850	1,096	3,847
	115,045	125,398	117,256	102,503

Deferred income

	Group		Charity	
	£	£	£	£
Deferred income at 1 April 2017	-	13,415	-	13,415
Resources deferred during the year	-	29,400	-	29,400
Amounts released from previous years	-	(13,415)	-	(13,415)
Deferred income at 31 March 2018	-	29,400	-	29,400

Deferred income represents income deferred for Advance Club memberships received, contract funding received in advance and grant funding whose conditions will be met in 2018/19.

17. Statement of funds

Statement of funds - current year - consolidated

	Balance at 1 April 2017	Income	Expenditure	Transfers	Gains / (losses)	Balance at 31 March 2018
	£	£	£	£	£	£
Designated funds						
Designated funds – all funds	107,057	-	(12,519)	-	-	94,538
General funds						
Pension reserve	(47,000)	-	14,000	-	4,000	(29,000)
General funds – all funds	309,633	916,077	(761,376)	(21,131)	-	443,203
	262,633	916,077	(747,376)	(21,131)	4,000	414,203
Total unrestricted funds	369,690	916,077	(759,895)	(21,131)	4,000	508,741
Restricted funds						
Restricted funds – all funds	26,724	370,961	(370,896)	21,131	-	47,920
Total of funds	396,414	1,287,038	(1,130,791)	-	4,000	556,661

17. Statement of funds (continued)

Statement of funds - prior year – consolidated

	Balance at 1 April 2016	Income	Expenditure	Transfers	Gains / (losses)	Balance at 31 March 2017
	£	£	£	£	£	£
Designated funds						
Designated fund – all funds	45,088	90,587	(28,618)	-	-	107,057
General funds						
Pension reserve	(37,000)	-	8,000	-	(18,000)	(47,000)
General funds - all funds	284,943	1,182,675	(1,152,065)	(5,920)	-	309,633
Total unrestricted funds	247,943	1,182,675	(1,144,065)	(5,920)	(18,000)	262,633
Restricted funds						
Restricted funds - all funds	7,335	229,410	(215,941)	5,920	-	26,724
Total of funds	300,366	1,502,672	(1,388,624)	-	(18,000)	396,414

Fund description

a) Unrestricted funds

The funds available to the Trustees to apply for the general purpose of the Charity and Group.

b) Designated funds

Organisational commitments - Funding has also been designated for ongoing organisational commitments.

Organisational developments - Funding has also been designated for the future organisational developments.

Business plan developments - Funding has also been designated for future business plan investments.

c) Restricted funds

Restricted funds relate to specific services / projects being undertaken.

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds	Restricted funds	Total funds
	2018	2018	2018
	£	£	£
Tangible fixed assets	8,105	-	8,105
Current assets	644,681	47,920	692,601
Creditors due within one year	(115,045)	-	(115,045)
Provisions for liabilities and charges	(29,000)	-	(29,000)
	508,741	47,920	556,661

Analysis of net assets between funds - prior year

	Unrestricted funds	Restricted funds	Total funds
	2017	2017	2017
	£	£	£
Tangible fixed assets	1,480	-	1,480
Current assets	540,608	26,724	567,332
Creditors due within one year	(125,398)	-	(125,398)
Provisions for liabilities and charges	(47,000)	-	(47,000)
	369,690	26,724	396,414

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2018	Group 2017
	£	£
Net income for the year (as per Statement of Financial Activities)	156,247	114,048
Adjustment for:		
Depreciation charges	1,942	3,952
Interest receivable	(323)	(133)
Decrease in debtors	21,504	111,143
Decrease in creditors	(28,353)	(174,191)
FRS 102 pension liability adjustment	4,000	(8,000)
Net cash provided by operating activities	155,017	46,819

20. Analysis of cash and cash equivalents

	2018	Group 2017
	£	£
Cash in hand	600,107	453,334
Total	600,107	453,334

21. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £16,910 (2017 - £18,277).

The Charity operates a defined benefit pension scheme for qualifying employees providing benefits based upon members' length of service and their salary at the date of leaving the scheme. The pension fund is funded by the payment of contributions and assets of the plan are held in a separately administered fund.

The most recent comprehensive actuarial valuation of the pension scheme assets and the present value of the defined benefit obligation were carried out on 31 March 2016 and the results of this valuation have been updated to 31 March 2018 by a qualified independent actuary.

21. Pension commitments (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate at 31 March	2.60 %	2.50 %
Expected rates of pension increases in payments pre 2006	3.30 %	3.30 %
Expected rates of pension increases in payments post 2006	2.50 %	2.50 %
Expected rate of inflation - RPI	3.30 %	3.30 %
Expected rate of inflation - CPI	2.30 %	2.30 %

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2018	2017
Retiring today	Years	Years
Males	22	22
Females	24	24
Retiring in 20 years	Years	Years
Males	23	23
Females	25	25

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2018 £	Fair value at 31 March 2017 £
Equities	59,000	70,000
Diversed growth fund	52,000	60,000
Property	19,000	21,000
Gilts and Bonds	127,000	150,000
Cash	1,000	3,000
Total market value of assets	258,000	304,000

The actual return on scheme assets was £(50,000) (2017 - £47,000).

21. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2018 £	2017 £
Asset gains/(losses) arising during the year	(58,000)	38,000
Liability gains/(losses) arising during the year	64,000	(54,000)
Total amount recognised in other comprehensive income	6,000	(16,000)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	351,000	296,000
Interest expense on defined benefit obligation	9,000	10,000
Actuarial (gains)/losses on scheme liabilities	(64,000)	54,000
Net benefits paid out	(9,000)	(9,000)
Closing defined benefit obligation	287,000	351,000

Changes in the fair value of scheme assets were as follows:

	2018 £	2017 £
Opening fair value of scheme assets	304,000	259,000
Interest income on scheme assets	8,000	9,000
Administration costs	(1,000)	(1,000)
Net benefits paid out	(9,000)	(9,000)
Gain/(loss) on scheme assets	(58,000)	38,000
Contributions by the Charity	14,000	8,000
Closing defined benefit obligation	258,000	304,000

The Charity expects to contribute £10,000 to its defined benefit pension scheme over the next year.

21. Pension commitments (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2018	2017
	£	£
Defined benefit obligation	(287,000)	(351,000)
Scheme assets	258,000	304,000
Deficit	(29,000)	(47,000)

22. Operating lease commitments

At 31 March 2018 the total of the Group's and Charity's future minimum lease payments under non-cancellable operating leases was:

	2018	2017
	£	£
Amounts payable:		
Within 1 year	26,481	6,825
Between 1 and 5 years	83,108	-
Total	109,589	6,825

23. Related party transactions

There were no related party transactions during the year (2017 - £nil).



t (0114) 250 2850

e enquiries@ageuksheffield.org.uk

Age UK Sheffield, First Floor, South Yorkshire Fire & Rescue, 197 Eyre Street, Sheffield, S1 3FG

www.ageuk.org.uk/sheffield