

# Report of Trustees and Unaudited Financial Statements

for the year ending 31st March 2018



**Age UK Somerset is a Charitable Company Limited by Guarantee.**

**Company Number: 02717676**

**Charity Registered in England and Wales Number: 1015900**



# Contents

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## Overview

About Age UK Somerset	1
Our Patrons	1
Organisation Chart	2

## Reference and Administrative Details 4

## Trustees' Annual Report 5

Company Status	5
Our Governing Document	5
Organisation	5
Appointment of Trustees	6
Trustees Induction and Training	6
Trustees serving during the financial year	7
Our Aims and Objectives	10
Areas of Activity	11
Our Achievements and Performance:	
• Our Services	12
• Our Volunteers	15
Quality Marques	16
Fundraising	16
Risk Management	17
Financial Review of the year	19
Statement of Trustees' Responsibilities	21

## Independent Examiners' Report 22

## Financial Statements 23

Consolidated Statement of Financial Activities	23
Consolidated and Charity Balance Sheets	24
Statement of Cashflows	26
Notes to the Financial Statements	27

## Thank you

# Overview of Age UK Somerset

## About us

Our charity was founded in 1948 and adopted the name Age Concern Somerset in 1972. In 2009 the national Age Concern body joined forces with Help the Aged to form the new national charity - Age UK - in 2010. We joined the Age UK family in October 2010, but we remain autonomous and independent.

**Age UK Somerset is the largest charity working with and for older people in Somerset and North Somerset, and we are responsible for raising all our own funds.**

For some services, we negotiate agreements with local authorities, health trusts or social services. For others, we bid for grants from charitable trusts and foundations. There is a charge to clients for some services.

The charity has a wholly owned subsidiary, Age UK Somerset Trading Limited, which was established to operate non-charitable activities and then gift aid all profits across to the charity.

Donations are gratefully received from individuals and clubs and as legacies in people's wills.



## Our Patrons

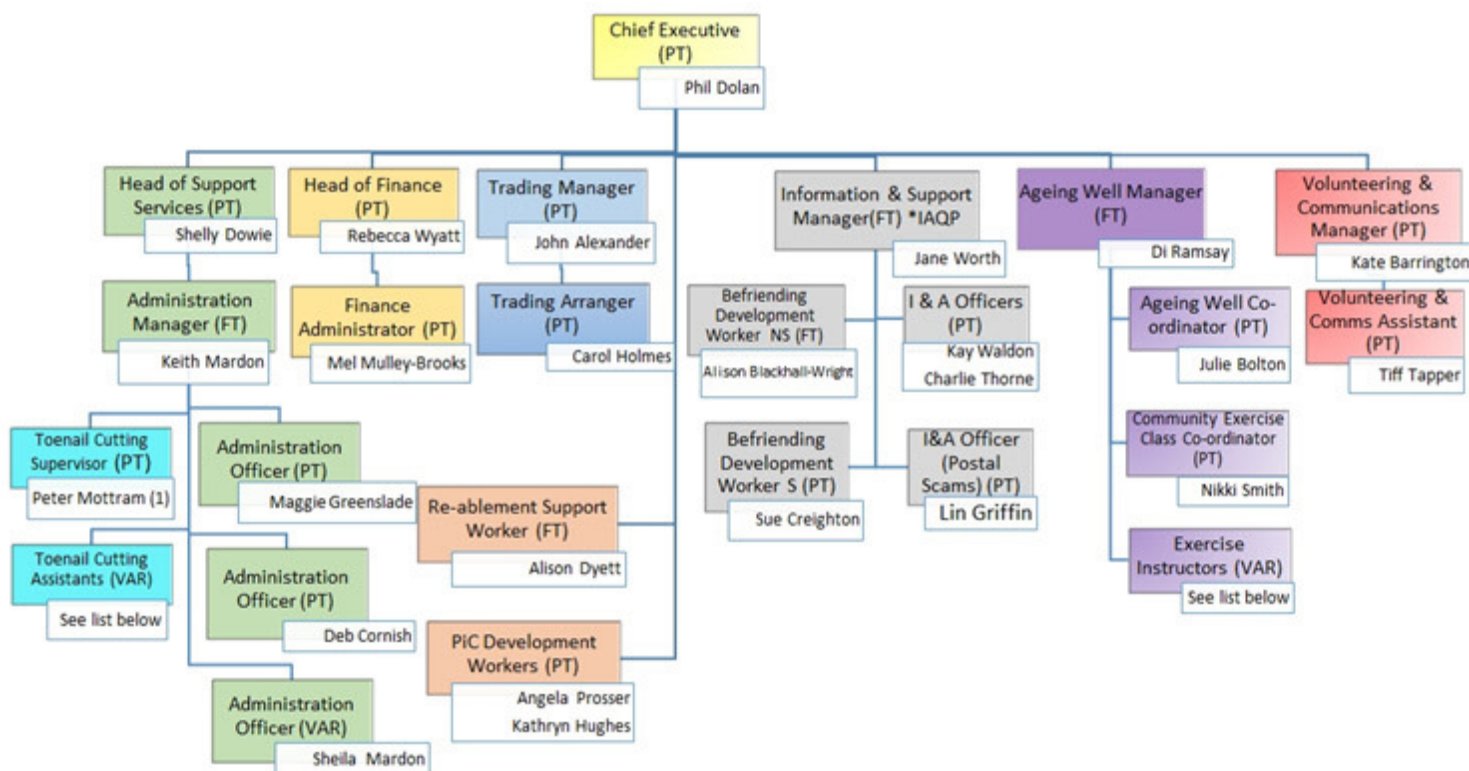
Mrs Anne Maw,  
Lord-Lieutenant of Somerset



Rt Revd Peter Hancock,  
The Bishop of Bath and Wells



## Structure, Governance and Management - Organisation Chart as at March 2018 - Our valued Staff



### Exercise Instructors:

Della Alonzi	Cheryl Mountford
Anne Bond	Caroline Pike
Jackie Bradford	Gill Porter
Christine Burt	Michelle Purnell
Elaine Butler	Lee Rogan
Marion Cooper	Angela Shannon
Suze Delve	Ivy Thorne
Katharine Derrick	Jo Willis
Malcolm Droy	Terry Wood
Joanne Fordham	Corinne Worth
Lucia Forte-Ellinas	Michelle Golding

### Toe Nail Cutting Assistants (TNCAs):

Becky Baker
Jessica Corry
Mandy Down
Gina Egleton
Sue Hadler
Lucy Harwood
Nicola Knight
Helen Powell
Carrie Rixon
Peter Mottram (2)

### Key:

**IAQP** Indicates responsibility for the I&A Quality Mark  
**PT** Part-time role  
**FT** Full time role  
**VAR** Variable/zero hours

## Our Head of Finance

### Rebecca Wyatt

BA (Hons) MAAT



Rebecca has been with Age UK Somerset since 2009, firstly as a Finance Assistant then progressing to Finance Officer and finally to Head of Finance, her position over the last 3 years.

She has a BSc in Mathematics and a background in Investment Banking prior to taking time out to raise a family. She also has the MAAT (Member of the Association of Accounting Technicians) qualification gained whilst here with us at Age UK Somerset.

The focus of raising awareness in the organisation of budgeting tools aimed at maximising financial outcomes is progressing really well and further goals in this area are underway.

Finance look to continually improve how financial processes support positive results for the organisation with ongoing projects.

## Our Chief Executive

### Philip Dolan

MSc PGDM CMgr FCMl



Phil has been CEO at Age UK Somerset since 2015.

He has been CEO at 4 different organisations in both the public and charity sector over the last 18 years.

Phil is professionally qualified with the Institute of Revenues, Rating and Valuation and holds an MSc in Strategic Management.

Leading an outstanding team of staff and volunteers, Phil has been delighted to see Age UK Somerset playing a leading role in working in partnership with the NHS in promoting a balanced care agenda for older people that encompasses a more personalised clinical and social care approach.

# Reference and Administrative Details 17/18

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## Trustees and Directors 2017/2018

H J Lukins (Chair)  
D F Johnson FCA (Treasurer)  
J Keech  
A Van Vliet  
M Latham  
J Knight  
Dr T Benn  
G Briscoe (Resigned 11th April 2017)  
B Gibbs (Hon)

## Chief Executive

P Dolan MSc PGDM CMgr FCMI

## Principal Office and Registered Office

Ash House  
Cook Way, Bindon Road,  
Taunton  
Somerset TA2 6BJ

## Solicitors

Porter Dodson  
The Quad  
Blackbrook Park Avenue  
Taunton  
Somerset TA1 2PX

## Independent Examiner

Alexandra Shore FCA CTA  
A C Mole & Sons Chartered Accountants  
Stafford House  
Blackbrook Park Avenue  
Taunton  
Somerset TA1 2PX

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## Related parties

Age UK Somerset was an active member of the Age Concern Federation until its demise on 31 March 2011 and has subsequently taken membership of the Age England Association, its successor. In addition, Age UK Somerset has continued to work in active partnership with Age UK, and became a Brand Partner with them in September 2010.

Partnership activities during the year have centred around the ongoing development of key areas related to service development, joint income generation, retail and trading.

The charity's wholly owned subsidiary, Age UK Somerset Trading Limited, was established to operate its trading activities and is in its 16th year of operation. The trading subsidiary acts as an agent in the sale of various products and services for which a commission is received. A number of the products sold are regulated by the Financial Conduct Authority (FCA) and procedures are in place, and regularly monitored, to ensure that the necessary standards are maintained. The wholly owned subsidiary gift aids its profits to the charity.



# Trustees Annual Report

The Trustees, who are also directors for the purposes of the Companies Act, present their report and the financial statements of the charity and group for the year ended 31 March 2018. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

## Company Status

The Charity is a company limited by guarantee and does not have a share capital.

Each member of the company undertakes to contribute to the assets of the company if it is wound up during the time that he or she is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amounts as may be required not exceeding £1.

## Our Governing document

Age UK Somerset is a company limited by guarantee governed by its Memorandum and Articles of Association dated 26th May 1992, which were amended to allow for current governance arrangements and extend the geographical area of benefit on 28th August 2003.

New Memorandum and Articles of Association were adopted on 5th April 2011 to legally reflect the change of name of the charity. We are registered as a Charity with The Charity Commission.

## Organisation

The board of Trustees, which can have up to 7 members, administers the charity.

The board meets regularly throughout the year and transacts all the main business of the organisation.

The Trustees are volunteers and take no remuneration.

The Trustees form sub-committees when required, for example Finance, and if necessary officers will determine decisions in between regular meetings and seek ratification at the next regular board meeting.

A Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority for all operational matters within the terms of delegation as approved by the Trustees.



## Appointment of Trustees

The Trustees, who are also directors of the company for the purposes of company law, are appointed by the members of Age UK Somerset at the Annual General Meeting of the company in accordance with the company's articles of association.

In addition the Trustees may appoint persons to fill any casual vacancies which occur during the year and may also co-opt a limited number of additional persons to the board.

Within our board of Trustees we aim to have and recruit a wide range of skills and complimentary specialism, for example, persons from a legal, financial, health, property background.

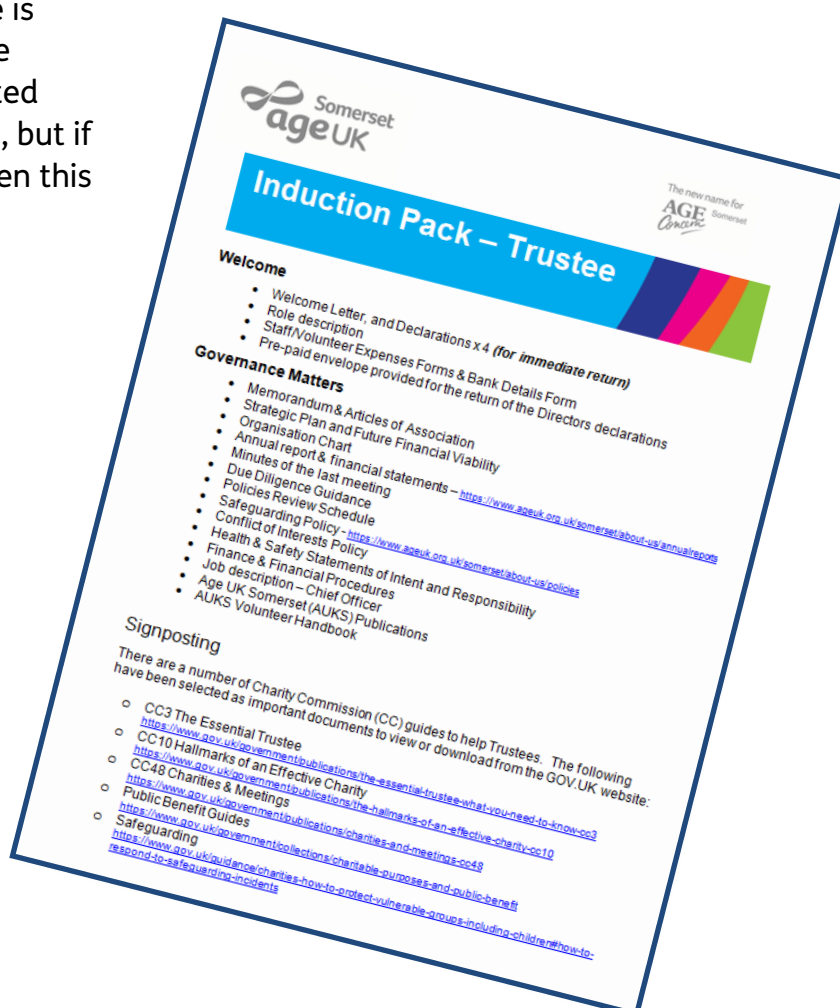
At each AGM one third of the Trustees who are subject to retirement by rotation shall retire from office.

Unless notified in writing by the Trustee, the date of appointment of a new Trustee is taken as the date of resignation of the previous trustee. The Chair is nominated from existing Trustees where possible, but if there are no interested candidates then this would be advertised externally.

## Trustee Induction and Training

New Trustees undergo an induction session to brief them on their legal obligations under charity and company law as well as providing a broad picture of the activities of the charity and its policies and procedures.

This is encompassed in a Trustees' Handbook which is regularly updated and provides a ready reference point for the most generally used information.





# Our Board

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Our Trustees are all Volunteers.

The Trustees who served on the board during the 2017/2018 Financial Year were:

## Heather J Lukins

Chair of Trustees



Heather is Somerset born and bred and is Chair of Trustees at Age UK Somerset, a position she has held since 2012. Heather has also served as a director of the trading company since 2009.

A Chartered Surveyor by profession she gained her BSc (Hons) in Valuation & Estate Management at the University of the West of England. She remains a Chartered Surveyor with retired status.

Throughout her property career Heather has been both employed and latterly self employed in business including that as sole proprietor of McKinlays Commercial Property Consultants (until December 2010).

Heather brings a wealth of commercial and entrepreneurial experience to the board and has served on a number of local and regional business and commerce bodies.

Date of Appointment: 31<sup>st</sup> May 2012

## David Johnson

Honorary Treasurer



David hails from Plymouth and after graduating from Cardiff University with an Economics degree moved to Taunton in 1987. He has worked as a chartered accountant since 1992.

He deals with a wide range of clients from different sectors, mainly owner managed businesses and this breadth of experience in the commercial world brings a different perspective to the charity.

David is married with three children and has strong sense of family and community. He has been involved with a number of local charities over the years on a personal level or in a professional capacity. He has been honorary treasurer of Age UK Somerset since January 2014.

Date of Appointment: 23<sup>rd</sup> January 2014

## Jeanette Keech

Trustee



Following a commercial career in marketing and public relations, Jeanette was, in 2004, invited to join Age UK Somerset. Her initial appointment was as a director of the trading company but subsequently she was invited to serve as a Trustee on the main board.

At around the same time Jeanette was appointed Non-Executive Director at Musgrove Park Hospital - a position she held for 9 years. This was followed by her election as a Musgrove Governor representing the Taunton Deane area. Jeanette is also currently chairman of a GP's Patient Participation Group.

This Musgrove and Age UK work has led to further NHS involvement on a number of key development projects.

Date of Appointment: 28<sup>th</sup> August 2008

## Ann Van Vliet

Trustee



Ann Van Vliet grew up in the Cotswolds. She has a degree in history and received management training in the engineering industry.

In 1978 she joined the NHS working firstly in Acute and then Mental Health Service Hospitals. After two years managing Youth Training Schemes in Birkenhead and Liverpool, Ann managed community hospitals in Cheshire, followed by 24 years in various senior roles developing GP, Dental and Pharmaceutical and Ophthalmic services.

She moved to Somerset in 2002 and retired in 2009. Ann chairs the Sedgemoor Health Walks Group. She keeps active with Yoga, Pilates and swimming.

Date of Appointment: 1<sup>st</sup> February 2013

## Michael Latham

Trustee



Mike spent almost 30 years working for Nationwide Building Society before setting up his own Mortgage Consultancy in 2007.

He joined Age Concern Somerset in 1990 after doing a research project regarding the Charity shops operated by the Charity at that time. He has served as Treasurer, Chair and also Vice-Chair during that time. He has seen the Charity grow and develop enormously over that time, during good times and difficult periods alike and brings experience and context to the role as well as his financial expertise. Mike is married with 2 grown up daughters.

Date of Appointment: 16<sup>th</sup> November 1993



## **Brian Gibbs**

Honorary Trustee



Brian is a former senior RAF Officer who, on leaving the Service, became Company Secretary at Taunton Cider. He was a member of the executive team that completed a management buyout and subsequent listing on the London Stock Market.

Brian was one of the founding directors of the charity's trading company and has been a trustee of Age UK Somerset for over 15 years. He is a Chartered Secretary, a Chartered Governance Professional, member of the Chartered Management Institute and a former President of Taunton Chamber of Commerce. Brian is married with 2 grown up children and has lived in Somerset since 1981.

Date of Appointment: 29<sup>th</sup> August 2002

Date of Resignation: 3<sup>rd</sup> October 2013

Date of Appointment as Hon' Trustee: 3<sup>rd</sup> October 2013

## **Jill Knight**

Trustee



Jill is a new Age UK Somerset Trustee.

She has lived in Somerset all her life. Jill has worked for NatWest for in excess of 30 years and is presently the branch Manager in Weston Super Mare. This role provides her with not only a financial background, but also a great understanding of the needs and vulnerability of our ageing population.

Before becoming a Trustee, Jill served as a governor at her local primary school for 8 years, particularly focusing on children with Special Educational needs ensuring that those children were fully supported and included in the school community.

She is married with 2 sons.

Date of Appointment: February 2018

## **Tansin Benn**

Trustee



Tansin worked in Education for thirty-eight years, including at the University of Birmingham. Her field was physical education, sport and dance with research interests that took her to many countries.

She has won several awards including a Leverhulme Research Fellowship in 2008, the Outstanding Contribution Ambassador Award of the UK's Muslim Women's Sport Association 2012, and the Research Award of the USA's Women's Sport Foundation, 2013, and has been on a number of other Boards.

She retired in 2012 and returned to her home town of Weston-super-Mare. As a carer for her mother she came in touch with several bodies such as the Alzheimer's Association and Age UK Somerset and started volunteering with us, leading a weekly Ageing Well class, since 2015.

Date of Appointment: April 2018



# Our Aims and Objectives

The **legal objects** of the charity are to promote the wellbeing of older people within the area of the administrative County of Somerset and the unitary authority area of North Somerset. The charity has the **general aim** of contributing to the quality of life of older people within its area of benefit, and this has been embodied within its mission statement.

Our **vision** for what we want for older people in our area is quite simple:

*For older people in Somerset and North Somerset to be able to have access to information and services to enable them to make choices so that they experience fulfilment and satisfaction in later life.*

Our **mission** therefore encompasses what we will do to make the vision a reality:

*Our role is to promote the wellbeing and independence of older people and add value to later life.*

**We will put the needs of older people at the heart of all we do** by providing comprehensive and accessible information and services. We aim to ensure that everything we do will focus on achieving the best for older people by exhibiting the following values:

- As we value the **independence** of our organisation to direct our business and select our objectives, so we will argue for everything that sustains and maximises the independence of the individual.
- We strive to earn the **respect** of our partners and users and will respect the wishes and aspirations of others.
- We endeavour to ensure that the lifestyle and circumstances of older people guarantees their **dignity** at all times.

- In working *with* older people, we will seek to **empower** them.
- We will celebrate **diversity** and offer **equal opportunities**.

## Moving forward

The main **objectives** for the coming period are as outlined in the Age UK Somerset Strategic Plan 2017-2021 with the overarching aims of **Impact, Affordability and Sustainability**:

- To maintain a robust management structure
- To secure sufficient funds from a wide range of sources
- To ensure the RIGHT resources are deployed in the RIGHT place at the RIGHT time
- To provide a range of accessible information and support
- To ensure well-trained and motivated staff and volunteers are recruited and retained
- To deliver a communications strategy to enhance internal communications and external contacts
- To identify and develop external strategic relationships and possible partners
- To develop closer working relationships with Age UK nationally and regionally including maximising campaigning.
- To develop more opportunities for input from older people
- To manage all financial resources robustly to ensure we maximise their use for charitable purposes.
- To apply Equality and Diversity practices in all we do.

# Areas of Activity

The **main areas of activity** were the delivery of **direct services to older people**; promoting partnership and co-operation with other organisations concerned about meeting the needs of older people; involving older people in order to ensure that their voices were heard; campaigning and developing new work projects.

The delivery of direct services to older people is at the heart of what the charity does. All our services aimed to improve the wellbeing and quality of life of and for older people.

Several services were delivered 'at home' and provided the additional benefit of a social visit and interaction for those who may live alone.

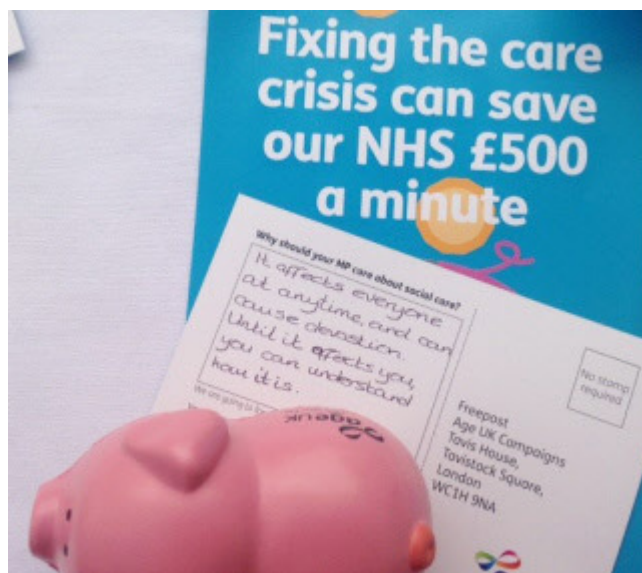
All the services operated on a continuing improvement basis, and feedback from service users was vital in determining the future development of those services delivered.

The promotion of partnership and co-ordination was a key area for the charity and involved working with others who shared the 'Age UK' name as well as the myriad of clubs and groups for older people

which are liberally scattered across the area.

In addition the charity worked closely with statutory partners in Health and Social Care and with the wider voluntary sector.

The charity had a role to play in campaigning on a variety of issues relevant to older people and developed work with Age UK on topics such as pension reform and paying for care. This is an area of work that continues to develop.



## How our Activities deliver Public benefit

All of the activities of Age UK Somerset are aimed at promoting the welfare of older people across Somerset and North Somerset, and are designed to provide support and/or activity which enhances our beneficiaries' quality of life.

The impact of our work is demonstrated by the regular and hugely positive feedback received from our service users. This feedback is regularly monitored and is an important component in our constant review and improvement process relating to our service delivery.

The following section of this report shows the scope of our work and the number of beneficiaries we serve. We are also continuing to improve our collection of this data to further evidence our work for the future.

The Trustees have had due regard to the Charity Commission guidance on public benefit.

# Our Achievements and Performance

## Charitable Services

### Who used and benefited from our services?

During the year Age UK Somerset continued to operate and develop direct services for older people.

## Advocacy Services

Information and Advice (I & A) is delivered throughout Somerset and North Somerset providing older people and their families with information and advice on matters of concern to them, assisting them to make decisions.

This service is primarily delivered from a central office location, which handles the majority of enquiries via the telephone, as well as seeing personal callers and responding to letters and electronic enquiries. A small team of community-based I & A officers take the service to locations across our area making the service accessible to more older people.

### The service was delivered to 2,049 people during the year.

Advocacy case work is also delivered across the whole of our area, providing one to one support to older people in making their views known and in accessing services and benefits.

### Thanks to the outstanding efforts of our team of over 50 trained volunteers we provided this service to 2,077 individuals.

Included in this work was the support to 991 clients to apply for Attendance Allowance and Disability Living Allowance, with successful claims bringing in an estimated **£2.8m into the local economy** and having a significant impact on the individuals.

Both of the above services were active in assisting older people experiencing difficulty in paying fuel bills by providing grants which came to us from Somerset Community Foundation's 'Surviving Winter' programme in Somerset and from the Quartet Community Foundation in North Somerset.





## Ageing Well

Ageing Well is the service that provides older people with opportunities to get together to stay fit and active.

**Through a mix of regular classes, currently an average of 125 classes each month, and one-off taster sessions, thousands of older people are gaining significant health and social benefits.**

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We continue to provide a wide range of classes all across Somerset and North Somerset. These range from traditional chair-based activities such as Flexercise led by trained Volunteers, to Movement to Music, Yoga and Tai Chi sessions, to name a few which are led by paid qualified instructors.

We have been delighted to see the uptake in Otago classes which are specifically tailored to those who wish to “Stay Strong, Stay Steady”.

We continue to ensure all our venues are accessible and in a variety of locations and types of premises.



## Toe Nail Cutting

This service, which is part-funded by the Somerset Partnership NHS Foundation Trust, is available to older people living in Somerset, with the aim of improving their quality of life and mobility.

Cuts are delivered by trained assistants mainly in clinic sessions across the county, four times a year as defined by the Podiatry Service.

As some of the cuts are provided in clients own homes we are required to be registered with the Care Quality Commission (CQC) and subject to an annual audit.

**We currently have over 1100 clients accessing our Toe Nail Cutting service.**

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## Befriending Service

Aimed at combating the loneliness and isolation of older people across Somerset and North Somerset, trained volunteers provide one to one support to individuals including encouraging and enabling them to access services and activities in the community whenever possible.

### We now have over 150 active partnerships.

However, there continues to be a growing waiting list for this service as we strive to recruit more volunteers and seek additional funding. Those who are placed on the waiting list for one to one support are offered opportunities to participate in group activities and are signposted to other agencies if appropriate.

We are very grateful to Somerset County Council and North Somerset Council for financially assisting us to provide this service.



## North Somerset Trading Standards

An Anti-Scams project with North Somerset Trading Standards where our staff member, Lin Griffin, works with local people who had sadly featured on the national 'suckers list'.

### Age UK Somerset helps over 80 vulnerable and elderly people each year, who had been victims of scamming.



## Services that were concluded during the year

During the financial year a number of services were concluded. These services were exceptionally well received by clients however they were funded by either the NHS or local authority and the funding ceased due to continued austerity within the public sector. These services were:

- Living Better (West Somerset)
- Living Better (North Somerset)
- Partners in Care (Musgrove Hospital, Taunton)
- Reablement (Somerset Partnership NHS Trust)

Further details on these services can be found in the Notes to the Accounts section.



## Our wonderful Volunteers

We have had another very successful year in terms of recruiting and retaining volunteers.

**We are proud to have 390 active volunteers as part of our team.**

Our volunteers have roles in our Ageing Well, Information and Advice and Befriending services, as well as providing Admin Support.

We aim to make the volunteers feel appreciated and as part of that process we run a number of 'Thank You' events during Volunteers' Week each June, and also in December. The volunteers have indicated they appreciate these.

We also encourage volunteers to give feedback in order for us to improve their experience and our services for the clients that they visit.

Whilst it is difficult to calculate, we estimate that last year volunteers contributed around 27,000 hours helping to make our services both successful and very cost effective. If we apply the minimum wage to the hours they give this amounts to over £202,000 and many of the tasks would be valued much higher than the minimum wage. The value of this unpaid volunteer time has not been recognised in the Financial Statements in accordance with Charities SORP (FRS102) as detailed in the accounting policies.

The organisation, along with those who benefit directly from the activities they undertake, greatly value the contribution they make to the organisation and to the lives of older people.

**We couldn't do what we do without these wonderful people!**

*Some of our volunteers enjoying a day out at Clevedon Pier as part of our Volunteers' Week Activities*



**WE REALLY NEED VOLUNTEERS to help local older people to receive the support they need**



As a Volunteer with our Information and Advice section you will become a crucial part of a well-respected team. After training, and only when you are confident, you will visit older people in their own homes to help them get the support that they need. More often than not, this support will be financial and the clients will need assistance in completing benefit claims forms.

Last year Age UK Somerset Volunteers helped claim over £3m for older people in our area! The cases you will be offered will be in your local area and you'll receive travel expenses. Each case will offer different challenges & the role is flexible so you only need take the cases that suit you.

For this role the Volunteers we need must:

- Be over 18.
- Be happy to have a DBS check undertaken.
- Have good listening and problem-solving skills.
- Have good written & verbal communication skills
- Have a friendly disposition and empathy with Older People

**Please could YOU help?**



**Please VOLUNTEER and help make loneliness a thing of the past.**



Pam would often spend day after day at home, alone, not seeing or speaking to anyone. She was very lonely & became withdrawn.

When we were able to match her with a Befriending Volunteer her life changed.

Now she gets out and about, sees people, is much happier and feels that life is worth living again.



There are many older people in your community who don't see anyone and who feel lonely and isolated. They are waiting for a Volunteer. A volunteer like you.



**Volunteers needed to bring people together**



Befriending isn't the only way to help reduce loneliness. Our Flexercise Volunteers bring isolated older people together for very sociable & fun gentle activity sessions.

**If you can spare a couple of hours a week and have a good sense of humour, we need you!**



# Quality Marques

The Charity Quality Standards for the Age UK network verify that Age UK and its partners are well-governed and effective organisations committed to the wellbeing of older people, staff and volunteers and to working in partnership with others. The Standards are externally assessed by industry leaders SGS and endorsed by the Charity Commission.

Age UK Somerset was delighted to achieve the Charity Quality Standards in May 2018.

The Chief Executive is the Registered Care Manager, and the organisation is registered to provide 'personal care' by the Care Quality Commission (CQC) in relation to its Toe Nail Cutting service.

**The last two assessments by the CQC resulted in Age UK Somerset being given the highest classification for this type of service.**



## Fundraising

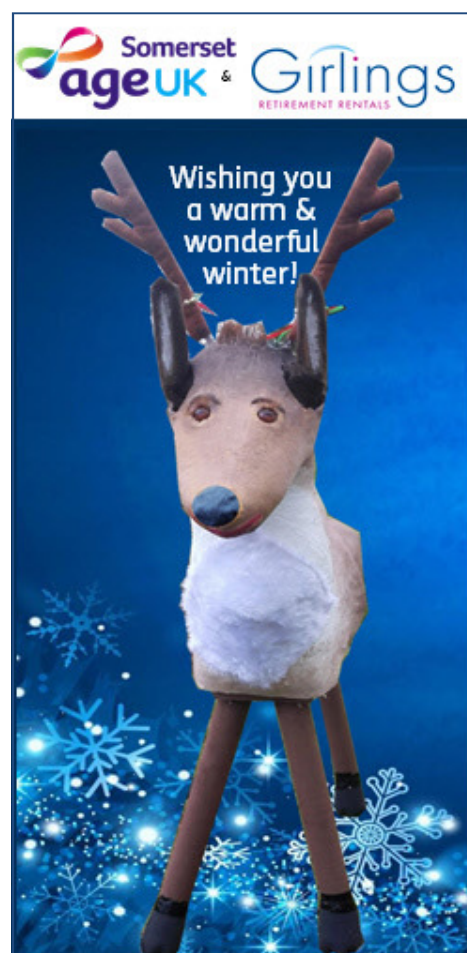
In common with most charities, we are operating in a changing and challenging local environment as far as funding our work is concerned. As access to grants from statutory authorities reduces significantly, and we will be faced with tendering to deliver services more frequently, we need to seek unrestricted funds from other sources. The entire team is charged with generating funding from the community and other sources and has developed a strategy for doing so.

Professional fundraisers or commercial participators have not been used to raise funds.

Events seek to attract fundraising but they also give us the opportunity to extol what we do and for 'awareness' within the Somerset region and beyond.

During 2018/19 we will seek to raise awareness and raise funds via:

- Our Charity Ball (to be held on the 10 November 2018)
- Our sponsorship of a special Age Friendly award at the Bristol, Bath and Somerset Tourism Awards (gala dinner to be held 15 Nov 2018)
- A special tea dance at the magnificent Winter Gardens, Weston on the 4 October 2018
- The use of a specially commissioned animated short film of our work (kindly provided free by [www.mioe.co.uk](http://www.mioe.co.uk))
- A range of other events to coincide with our 70th Birthday! (1948-2018)



# Risk Management

The Trustees have in place a formal risk management process to assess risks and implement risk management strategies for the charity and its subsidiary trading company.

This process includes review by Trustees and senior managers.

The process identifies the types of risks faced, prioritises them in terms of likelihood of occurrence and potential impact, and identifies the means of mitigating these risks.

During his time with us, our CEO has prepared the following relevant strategic papers;

- Business Continuity Plan
- 2021 Strategic Business Plan. Financial sustainability is a key strategic aim in the business plan

## The Key Risks include:

Risk	Management
Safeguarding Risks.	Safeguarding of all our elderly clients, Volunteers and Staff, is key for Age UK Somerset. Detailed policies and procedures are regularly reviewed, full training is provided for all our Volunteers and Staff and an 'easy read' procedure guide is provided. We maintain a regular and positive relationship with both the Somerset and North Somerset Safeguarding Boards.
Threats to Staff & Volunteers Safety.	All staff and volunteers go through an induction process. Relevant policies relating to both financial and personal safety are regularly updated (on a rolling basis) by the Trustees, Chief Executive and Head of Support Services. All policies are available to Volunteers and Staff at all times at Ash House and remotely via Sharepoint.
I.T. Failure. As with many organisations both large and small we rely heavily on I.T. for banking, finance recording, secure data capture, etc.	We retain the services of a Bristol based company called Solsoft to support us in our I.T. infrastructure requirements.
Financial Fraud.	We adhere closely to a Financial Internal Controls policy and accompanying checklist formulated on the recommended Charity Commission templates available on their website, to safeguard the charity from potential fraudulent acts impacting on our banking and financial processes.

## Key Risks continued:

Risk	Management
Staff Sickness.	Policies have been re-examined during the year to ensure the organisation has a robust approach to managing sickness.
Loss of Contracts. A loss of a contract can mean a substantial financial loss for the Charity. This not only means a loss of one of our services for older people but also sadly impacts on staff causing loss of jobs within our organisation and can lead to a strong effect on morale within the organisation.	We manage regular contact with Commissioners including performance meetings to ensure we are delivering as per the contract and to receive early warnings of potential contract terminations.
Adverse Publicity - National, Regional & Local. For example during this financial year The Sun newspaper published a detrimental report on an Age UK product, Utilities. This has and continues to some extent to have unfavourable attention in the media. Whilst we are a local charity we have been in some instances 'tarred with the same brush' and can lead to a strong effect on morale within the organisation.	We maintain excellent local relations with the press and media outlets. We are always available to present clarification on any events that could lead to adverse publicity and use a monthly staff update to keep all employees and volunteers well informed.
Loss of Premises through fire, act of God or malicious behaviour by third party.	We maintain clear offsite working procedures to protect us in the event of the loss of premises.

The Risk Management process is reviewed annually and monitored during the year by Trustees.

Relevant AUKS Policies and assessments\* are reviewed on a periodic rolling basis to include, although not exhaustive;

R18 Fire Risk Assessment

R20 2017 Trading Risk Assessment

R21 Appendix Insurance Guide for Fundraising & Activities

R23 Volunteers Week Risk Assessment

R25 COSHH Hazardous Substances Inventory

R25 COSHH Assessment

R28 2016 Combined Advocacy & Peripatetic Risk Assessment

R31 Vulnerable Personnel Risk Assessment Template

R32 2016 Driving at Work Risk Assessment

R32 Appendix ROSPA Winter Driving Tips

R33 2016 Reablement Service Risk Assessment

R34 Partners In Care

*\*Each 'Service' has its own risk assessment(s)*

*Each time Age UK Somerset has a new activity/service a risk assessment will be undertaken.*



# Financial Review of the Year

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The accounts show the consolidated results of the charity and its subsidiary trading company.

## Consolidated Statement of Financial Activities

Total income from all sources for the year was £760,903 an increase of £10,625 (1.42%) from the previous year.

Trading activities were carried out during the year through the charity's wholly owned subsidiary trading company, Age UK Somerset Trading Limited. Trading continues to be a valuable source of income to the charity and during the year it contributed £110,858 to the total income referred to above. This was a decrease of £16,361 on the year.

## Balance Sheet

At the year end the group's net assets stood at £269,647 of which £59,668 was in restricted funds. Details of the funds and the movements therein are given in Notes 21 and 22 to these accounts.

## Summary

The overall surplus of £3,710 (2017: deficit £115,119) indicates a significant improvement on the budgeted deficit of £48,518, however it is important to note that £44,403 of this amount relates to restricted income received for the purpose of activities scheduled to be delivered in the 2018/19 financial year. The improvement on budget in real terms is therefore £7,825. The financial position of the charity is in the board's view satisfactory, although raising funds to finance the charity's work becomes more difficult each year.

Its funds are at present at an acceptable level to provide a sound basis for supporting the work of the charity with older people across Somerset and North Somerset.

## Review of Principal Funding Sources

The board of Age UK Somerset adopts a policy of seeking to attract a diverse and varied selection of funding sources and, wherever possible, to enter into longer term agreements with funders. By not being over-dependent upon any one source of funds this provides some security of income for the charity. The bulk of the charity's funds arise under agreements with organisations who wish to support some part of the charity's aims and objectives. The charity also welcomes legacies and donations from members of the public and is able to recover tax under the Gift Aid scheme on qualifying donations.

The charity's wholly owned subsidiary Age UK Somerset Trading Limited donates its profits under Gift Aid to the parent charity. The trading activities undertaken include acting as an agent in the sale of insurance products, Aid Call alarms and funeral plans. There were many challenges faced by all Age UK Brand Partner trading subsidiaries during the year, however the board are confident that Age UK Somerset's trading subsidiary can continue to overcome those challenges and remain a major contributor to the Charity's income.

## Working Relationships

The Charity is a member of the Age England Association, a Brand Partner of Age UK and a member of the Age England Enterprises Trading Alliance.

### Those who have enabled us to deliver our charitable objectives during the year included:

Age UK; Somerset County Council; North Somerset Council; Sedgemoor District Council; South Somerset District Council; Taunton and Somerset NHS Foundation Trust; Somerset CCG; North Somerset CCG; Somerset Partnership NHS Foundation Trust; Somerset Community Foundation; Quartet Community Foundation; Knightstone Housing; Waitrose Ltd; Girlings Retirement Rental; Barley Rye Choir; The Grateful Society; Morrisons Foundation; Groundwork UK (Tesco Bags for Life).

The Charity would wish to thank all other organisations and individuals who have supported its activities during the year.

## Reserves Policy

The board has established a policy whereby sufficient unrestricted funds not held in fixed assets (free reserves) should be accumulated over time to enable the continuation of the group's operations for a 3 to 6 month period taking into account any contractual liabilities that are likely to crystallise in the event of the charity wholly or partly ceasing operations and to provide for the funding of anticipated capital expenditure.

The board considers that in keeping with the above requirements an appropriate level of free reserves from the General Fund would be an amount of £197,000. At 31 March 2018 the free reserves held in the General Fund amounted to £207,655. The reserves held in excess of the policy will be used to fund the ongoing services.

## Investment Policy

The board has the power to invest the charity's assets as it sees fit. However, its present policy is not to have investments

unless necessary to accumulate for an identified project, when the aim would be to invest in a manner consistent with the objectives and timing of the project. No such investments are presently held.

Reserves are normally placed on interest-bearing deposit. These are split between the charity's principal bankers Santander Corporate Banking, NatWest and the Charities Official Investment Fund (COIF) Charities Deposit Fund.

## Plans for Future Period

The charity continues to be committed to extending the range of services it delivers in the furtherance of its charitable objectives. We are keen to build on our partnership approach with the NHS in both Somerset and North Somerset, as has been seen through this financial year with the delivery of pilot services. Age UK Somerset's unique understanding of older patients, our robust capacity to facilitate their needs and our excellent reputation all serve to make Age UK Somerset an ideal candidate for such partnerships.

With this in mind, talks remain ongoing in North Somerset for an Integrated Care plan that has the potential to save the NHS £2 for every £1 invested in a ground breaking Age UK service. There is also an NHS partnership with the Third Sector initiative currently in its initial stages in Somerset with the primary aim of avoiding hospital admissions and relieving pressure across the system. Age UK Somerset will be extremely proactive in its proposals to play a significant role in these prospective new services.

The increasing challenges the charity faces with a growing number of older people in our communities and reducing income streams is mitigated by our strong organisational culture of actively seeking a diverse range of funding and effective control of our costs and expenditure. This ensures the maximum amount of the charity's resources are available to provide the best possible service to older people.

# Statement of Trustee's Responsibilities

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The Trustees (who are also directors of Age UK Somerset for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by the board of Trustees on 27<sup>th</sup> September 2018 and signed on its behalf by:



.....

J Keech

Trustee

**Age UK Somerset**



D F Johnson FCA

Treasurer

**Age UK Somerset**



# Independent Examiners' Report to the Trustees of Age UK Somerset

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2018, which are set out on pages 23 to 42.

## RESPONSIBILITIES AND BASIS OF REPORT

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

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

## INDEPENDENT EXAMINER'S STATEMENT

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

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

*Alexandra Shone*

Alexandra Shore FCA CTA  
A C Mole & Sons Chartered Accountants  
Stafford House  
Blackbrook Park Avenue  
Taunton Somerset  
TA1 2PX

27 September 2018

# Financial Statements

## Consolidated Statement of Financial Activities (including consolidated Income and Expenditure Account) for year ended 31st March 2018

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
		£	£	£	£	£	£
<b>Income:</b>							
Donations, gifts & legacies	2	28,795	33,353	62,148	28,066	9,084	37,150
Other trading activities		110,858	-	110,858	127,219	-	127,219
Investments		534	-	534	1,224	-	1,224
		<u>140,187</u>	<u>33,353</u>	<u>173,540</u>	<u>156,509</u>	<u>9,084</u>	<u>165,593</u>
Income from charitable activities:							
Services	5	180,605	-	180,605	147,370	-	147,370
Grants and contracts	6	71,000	284,213	355,213	71,000	324,608	395,608
Other	7	15,000	36,545	51,545	15,198	26,509	41,707
		<u>406,792</u>	<u>354,111</u>	<u>760,903</u>	<u>390,077</u>	<u>360,201</u>	<u>750,278</u>
<b>Expenditure:</b>							
Raising funds	8	1,799	-	1,799	6,529	-	6,529
Cost of other trading activities		53,982	-	53,982	68,093	-	68,093
Charitable activities	9	136,181	565,231	701,412	173,694	617,081	790,775
		<u>191,962</u>	<u>565,231</u>	<u>757,193</u>	<u>248,316</u>	<u>617,081</u>	<u>865,397</u>
<b>Net income/(expenditure) for the year before transfers</b>							
Transfers		214,830 (219,034)	(211,120) 219,034	3,710 -	141,761 (270,146)	(256,880) 270,146	(115,119) -
		<u>(4,204)</u>	<u>7,914</u>	<u>3,710</u>	<u>(128,385)</u>	<u>13,266</u>	<u>(115,119)</u>
<b>Net movement in funds</b>							
Fund balances at 1 April 2017		214,183	51,754	265,937	342,568	38,488	381,056
		<u>209,979</u>	<u>59,668</u>	<u>269,647</u>	<u>214,183</u>	<u>51,754</u>	<u>265,937</u>

## Consolidated and Charity Balance Sheets as at 31 March 2018

Company Registration Number: 02717676

	Notes	Group £	2018 Charity £	Group £	2017 Charity £
<b>Fixed assets</b>					
Tangible assets	16	2,324	2,324	5,549	5,549
Investments	17	-	2	-	2
		<u>2,324</u>	<u>2,326</u>	<u>5,549</u>	<u>5,551</u>
<b>Current assets</b>					
Debtors	18	58,500	78,681	63,217	77,930
Cash at bank and in hand		250,286	229,531	256,391	240,319
		<u>308,786</u>	<u>308,212</u>	<u>319,608</u>	<u>318,249</u>
<b>Liabilities:</b>					
Creditors falling due within one year	19	41,463	40,891	(59,220)	(57,863)
		<u>41,463</u>	<u>40,891</u>	<u>(59,220)</u>	<u>(57,863)</u>
<b>Net current assets</b>		<b>267,323</b>	<b>267,321</b>	<b>260,388</b>	<b>260,386</b>
		<u>267,323</u>	<u>267,321</u>	<u>260,388</u>	<u>260,386</u>
<b>Total assets less current liabilities</b>		<b>269,647</b>	<b>269,647</b>	<b>265,937</b>	<b>265,937</b>
		<u>269,647</u>	<u>269,647</u>	<u>265,937</u>	<u>265,937</u>
<b>Net assets</b>		<b>269,647</b>	<b>269,647</b>	<b>265,937</b>	<b>265,937</b>
		<u>269,647</u>	<u>269,647</u>	<u>265,937</u>	<u>265,937</u>
<b>The Funds of the Charity</b>					
<b>Unrestricted Funds</b>					
General funds		203,114	203,114	214,183	214,183
Designated funds		6,865	6,865	-	-
		<u>209,979</u>	<u>209,979</u>	<u>214,183</u>	<u>214,183</u>
	21	209,979	209,979	214,183	214,183
<b>Restricted funds</b>	21	59,668	59,668	51,754	51,754
		<u>59,668</u>	<u>59,668</u>	<u>51,754</u>	<u>51,754</u>
<b>Total Charity Funds</b>		<b>269,647</b>	<b>269,647</b>	<b>265,937</b>	<b>265,937</b>
		<u>269,647</u>	<u>269,647</u>	<u>265,937</u>	<u>265,937</u>

The company and the group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2018.

The members have not required the group or company to obtain an audit of their financial statements for the year ended 31 March 2018 in accordance with Section 476 of the Companies Act 2006.



## Consolidated and Charity Balance Sheets as at 31 March 2018

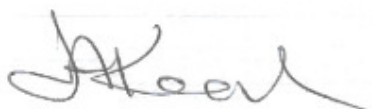
Company Registration Number: 02717676

The trustees acknowledge their responsibilities for:

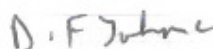
- (a) ensuring that the group and company keep accounting records which comply with Section 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the group and company as at the end of each financial year and of the group's profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company and group.

The financial statements have been prepared in accordance with the provisions of part 15 of the Companies Act 2006 relating to small companies regime.

Approved by the board for issue on 27-9 2018 and signed on its behalf by:



J Keech  
Trustee



D F Johnson FCA  
Treasurer

## Statement of Cashflows for the year ended 31 March 2018

	Notes	Group £	2018 Charity £	Group £	2017 Charity £
<b>Cashflows from operating activities</b>					
Net movement in funds for the year (as per statement of financial activities)		3,710	3,710	(115,119)	(115,119)
Adjustments to cash flows from non-cash items					
Depreciation	16	3,225	3,225	3,712	3,712
Finance income	4	(534)	(534)	(1,224)	(1,224)
		<u>6,401</u>	<u>6,401</u>	<u>(112,631)</u>	<u>(112,631)</u>
Working capital adjustments					
(Increase)/decrease in debtors	18	4,717	(751)	(12,728)	33,464
Increase/(decrease) in trade creditors	19	(17,757)	(16,972)	(955)	952
		<u>(6,639)</u>	<u>(11,322)</u>	<u>(126,314)</u>	<u>(78,215)</u>
<b>Net cash (used in) operating activities</b>					
<b>Cashflows from investing activities</b>					
Interest from investments	4	534	534	1,224	1,224
Acquisitions of tangible assets	16	-	-	(6,971)	(6,971)
		<u>534</u>	<u>534</u>	<u>(5,747)</u>	<u>(5,747)</u>
<b>Net cash provided by/(used in) investing activities</b>					
<b>Change in cash and cash equivalents in reporting period</b>					
		(6,105)	(10,788)	(132,061)	(83,962)
Cash and cash equivalents at the beginning of the reporting period		<u>256,391</u>	<u>240,319</u>	<u>388,452</u>	<u>324,281</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>250,286</u></u>	<u><u>229,531</u></u>	<u><u>256,391</u></u>	<u><u>240,319</u></u>

# Notes to the Financial Statements

## for the year ended 31 March 2018

### 1 Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

#### 1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statements 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)), Update Bulletin 1 issued February 2016, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated otherwise within these notes.

#### Basis of consolidation

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Age UK Somerset Trading LTD, on a line by line basis. The “Group” heading within the balance sheet refers to the consolidated accounts of Age UK Somerset and Age UK Somerset Trading LTD. All intra-group transactions are eliminated on consolidation.

In the parent company financial statements the investment in the trading subsidiary is accounted for at cost less impairment.

A separate Statement of Financial Activities or income and expenditure account, for the Charity itself has not been presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006. The surplus in the year for the charity was £3,710 (2017: deficit £115,119). Note 17 gives details of the results of the subsidiary undertaking for the year to 31 March 2018.

All amounts are presented in £ sterling.

The trustees consider that there are no material uncertainties about the charity’s ability to continue as a going concern.

#### 1.2 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. 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. As at 31 March 2018 there were 6 members.

The company is incorporated in England and Wales and the company registered office is detailed on page 4, reference and administration details.



## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1.3 Income

#### Income from generated funds:

All incoming resources are included in the SOFA when the Charity and Group is legally entitled to the income it is probable the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income.

Income from donations and gifts is recognised in the year in which they are receivable.

For legacies, entitlement is taken as the earlier of the date that 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 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 from other trading activities represents income generated within the trading subsidiary. The major line of income relates to commission income from the sale of services in the year.

Income from investments is recognised 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.

#### Income from charitable activities:

Income from grants, contracts and government grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Where no conditions are attached to grants they are recognised within *donations, gifts and legacies*. Where conditions relating to performance of services are attached i.e. contracts, grant income is recognised in *charitable activities grants and contracts* within the Statement of Financial Activities.

Where grant income is received in advance of conditions being met which are outside of the charity's control, income is deferred within *creditors: grants received in advance* until grant conditions are met. Where grant income has not been received and conditions have been met in the year, income is accrued within other debtors.

Income from services and other income from charitable activities are recognised in the period in which the charity is entitled to receipt, it is probable that economic benefits will flow to the charity and the amount can be reliably measured.

## Notes to the Financial Statements

### for the year ended 31 March 2018 *(continued)*

#### 1.4 Expenditure

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

All expenditure is recognised on the accruals basis.

Costs of other trading activities is expenditure incurred in generating the trading subsidiary funds.

Expenditure on charitable activities comprises costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them. See 1.5 below for details on support and governance cost allocations.

Grants payable are recognised within charitable activities when a constructive obligation arises resulting in the payment being unavoidable.

#### 1.5 Allocation of support costs and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities.

Support costs include premises costs, finance, personnel, payroll and governance costs which support the charities activities. These costs are allocated across the various charitable activities.

Support staff costs are allocated on the basis of staff allocated time. Other support costs such as premises costs are allocated on the basis of pro rata staff full time equivalents.

Governance costs are not allocated to charitable activities as these costs are retained within head office central activity.

#### 1.6 Pension costs

The group and charity make contributions to defined contribution pension schemes on behalf of employees, which involves payment of contributions into employees' personal pension schemes. The assets of these schemes are held separately from the group in independently administered schemes. The amount included in the statement of financial activities represents the contributions payable to the schemes in respect of the accounting period. Amounts are allocated between unrestricted and restricted funds based on time spent by staff.

#### 1.7 Operating leases

The group and charity classify the lease of property and office equipment as operating leases as title and risks and rewards of ownership are retained by the lessor. Rentals are charged on the straight line basis over the term of the lease through the profit and loss account.



## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1.8 Tangible fixed assets

Where purchased, fixed assets are stated at purchase costs plus incidental expenses of acquisition. Where donated, fixed assets are stated at estimated market value on acquisition. Depreciation is charged in respect of fixed assets and is calculated to write off the cost of the assets, less estimated residual value, over their expected useful economic lives as follows:

Computer equipment	-	straight line over 3 years
Other equipment	-	straight line over 3 years

Fixed assets are normally capitalised where the value of an asset or group of related assets exceeds £1,000.

### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash and short term highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of change in value.

### 1.10 Grants received in advance

Deferred income is included within creditors: grants received in advance in the Balance Sheet and comprises grant income received in advance of the provision of charitable activities where grant conditions outside the charity's control have not been met. Deferred income is recognised within income in the Statement of Financial Activities when the recognition conditions for income from grants, contracts and government grants are met, typically when the grant conditions are met.

### 1.11 Financial instruments

The charity and group only has financial assets and liabilities that qualify as basic financial instruments including bank balances, cash, debtors and creditors. Basic financial instruments are therefore recognised at transaction price and subsequently amortised cost.

### 1.12 Taxation

The company is a registered charity and is therefore not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. Value added taxation is not recoverable by the company, and is therefore included in the relevant costs in the Statement of Financial Activities. The charity subsidiary is not VAT registered and unable to recover Value Added Tax and therefore it is included within the relevant costs in the Statement of Financial Activities.

### 1.13 Fund accounting

General Funds are unrestricted funds which are available for use at the discretion of the board in furtherance of general objectives of the charity, and which have not been designated for other purposes.

Designated Funds comprise unrestricted funds that have been set aside by the board for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted Funds are to be used for specific purposes as laid down by the donor.



## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1.14 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. 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. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The trustees are of the opinion that there are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 1.15 Donated services

In accordance with the Charities SORP (FRS 102), any unpaid general volunteer time is not recognised in the financial statements.

## 2 Donations, gifts & legacies

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Donations and gifts	14,587	33,353	47,940	21,686	9,084	30,770
Legacies	14,208		14,208	500	-	500
Age UK grants – charity shops	-	-	-	5,880	-	5,880
	<u>28,795</u>	<u>33,353</u>	<u>62,148</u>	<u>28,066</u>	<u>9,084</u>	<u>37,150</u>

The charity benefits greatly from the involvement and support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

## 3 Other trading activities

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Income from trading activities	110,858	-	110,858	127,219	-	127,219
	<u>110,858</u>	<u>-</u>	<u>110,858</u>	<u>127,219</u>	<u>-</u>	<u>127,219</u>

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 4 Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Interest receivable	534	-	534	1,224	-	1,224

### 5 Income from charitable activities – Income from services

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Ageing Well Somerset	96,595	-	96,595	74,580	-	74,580
Ageing Well North Somerset	26,361	-	26,361	22,612	-	22,612
Advocacy fees	6,818	-	6,818	7,249	-	7,249
Toenail cutting fees	49,571	-	49,571	39,014	-	39,014
NS & Somerset services	1,260	-	1,260	3,915	-	3,915
	180,605	-	180,605	147,370	-	147,370

### 6 Income from charitable activities – Grants and contracts

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Local authorities	71,000	102,508	173,508	71,000	111,051	182,051
NHS Somerset and NHS North Somerset	-	109,948	109,948	-	128,786	128,786
Other trusts and foundations	-	71,757	71,757	-	84,771	84,771
	71,000	284,213	355,213	71,000	324,608	395,608

### 7 Income from charitable activities – Other income

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Age UK brand partnership	15,000	-	15,000	15,000	-	15,000
Other income	-	36,545	36,545	198	26,509	26,707
	15,000	36,545	51,545	15,198	26,509	41,707

## Notes to the Financial Statements

### for the year ended 31 March 2018 (continued)

8 Raising funds	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£	£	£	£
Charity ball	677	-	677	5,523	-	5,523
Carol service	1,046	-	1,046	1,006	-	1,006
Big Knit	76	-	76	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,799	-	1,799	6,529	-	6,529
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## 9 Expenditure on charitable activities

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
		£	£	£	£	£	£
Staff costs		20,778	362,501	383,279	19,264	414,044	433,308
Volunteer expenses		651	15,792	16,443	303	17,723	18,026
Travel		196	23,159	23,355	93	29,460	29,553
Recruitment		-	289	289	63	401	464
Premises costs		62	794	856	112	1,213	1,454
Communication and Office costs		955	7,738	8,693	148	9,062	9,210
Service related costs		-	42,471	42,471	-	40,479	40,479
Grants payable	12	-	4,575	4,575	-	3,700	3,700
Governance costs	11	3,661	-	3,661	4,119	-	4,119
Other costs		-	1,644	1,644	-	1,498	1,369
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		26,303	458,963	485,266	24,102	517,580	541,682
<u>Support costs</u>							
General Office		3,507	59,825	63,332	2,737	60,023	62,760
Senior management		13,989	11,342	25,331	20,771	966	21,737
Finance		21,638	22,361	43,999	22,211	22,887	45,098
Combined services		65,945	12,740	78,685	99,341	15,625	114,966
Income generation		4,799	-	4,799	4,532	-	4,532
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		136,181	565,231	701,412	173,694	617,081	790,775
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Support costs relate to those costs which are not directly attributable to the charitable activities and are apportioned by the board on the following basis:

<u>Support cost</u>	<u>Basis of apportionment</u>
General office	Pro rata to staff full time equivalents
Senior management	Allocated on time
Finance	Allocated on time
Combined services	Allocated on time
Income generation	Allocated on time



## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 10 Auditor/Independent examination remuneration

	2018 £	Charity 2017 £	2018 £	Subsidiary 2017 £	2018 £	Total 2017 £
Auditors remuneration – predecessor firm						
Accounting services	-	360	-	-	-	360
Independent examiner remuneration						
Independent examination	660	660	-	-	660	660
Accounting services	2,940	2,970	900	900	3,840	3,870
	<u>3,600</u>	<u>3,990</u>	<u>900</u>	<u>900</u>	<u>4,500</u>	<u>4,890</u>

### 11 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Independent examination fee	660	-	660	660	-	660
Accountancy	2,940	-	2,940	3,330	-	3,330
Legal fees	61	-	61	61	-	61
Trustee recruitment	-	-	-	9	-	9
Trustee expenses	-	-	-	59	-	59
	<u>3,661</u>	<u>-</u>	<u>3,661</u>	<u>4,119</u>	<u>-</u>	<u>4,119</u>

### 12 Grants payable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Grants have been paid out for the following activities:						
<u>Surviving Winter</u>						
Amounts paid to individuals	-	4,575	4,575	-	3,700	3,700
	<u>-</u>	<u>4,575</u>	<u>4,475</u>	<u>-</u>	<u>3,700</u>	<u>3,700</u>

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 13 Trustee directors

None of the Trustee Directors (or any persons connected with them) received any remuneration during the year (2017: none). Travelling expenses totalling £nil (2017: £59) were reimbursed to 0 (2017: 1) Trustee Director. No donations were received from the Trustee Directors during the year (2017: none).

### 14 Wages and salaries

	2018 £	2017 £
Wages and salaries	498,254	576,961
Social security costs	27,133	33,792
Other pension costs	25,117	28,643
Other staff costs	3,593	683
Redundancy costs	6,805	2,812
	<hr/>	<hr/>
	560,902	642,891
	<hr/>	<hr/>

Presented within expenditure as follows:

Costs of commercial trading activities	39,803	51,321
Expenditure on charitable activities:		
Staff Costs	383,569	433,308
Support costs allocated	137,530	158,262
	<hr/>	<hr/>
	560,902	642,891
	<hr/>	<hr/>

No individual employee was paid over £60,000 (2017: nil).

The average monthly number of employees, calculated as full-time equivalents, during the year was:

	2018 No	2017 No
Commercial trading activities	2	2
Charitable activities	18	21
Governance	1	1
	<hr/>	<hr/>
	21	24
	<hr/>	<hr/>

The average head count during the year was 58 (2017: 62).

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary Age UK Somerset Trading LTD. The key management personnel is identified as the chief executive officer. The total employee benefits, inclusive of pension, and social security costs of the key management personnel of the charity were £43,656 (2017: £43,662).

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 15 Defined contribution pension scheme

The charity and group makes contributions to pension schemes on behalf of employees which involves payment of contributions into employees' personal pension schemes. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £25,117 (2017: £28,643).

Contributions totalling £2,391 (2017: £4,873) were payable to the scheme at the end of the year and are included in other creditors.

### 16 Tangible assets – Charity and Group

	Computers £	Other Equipment £	Total £
<b>Cost</b>			
As at 01/04/2017	10,146	989	11,135
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
As at 31/03/2018	10,146	989	11,135
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
As at 01/04/2017	4,926	660	5,586
Charge for year	2,896	329	3,225
	<hr/>	<hr/>	<hr/>
As at 31/03/2018	7,822	989	8,811
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
As at 31/03/2018	2,324	-	2,324
	<hr/>	<hr/>	<hr/>
As at 31/03/2017	5,220	329	5,549
	<hr/>	<hr/>	<hr/>

### 17 Investments

	Total 2018 £	Charity Total 2017 £
Age UK Somerset Trading LTD Ordinary shares of £1 each	2	2
	<hr/>	<hr/>

Age UK Somerset Trading LTD (Company no 03847089) was incorporated on 23 September 1999 as a wholly owned trading subsidiary of Age UK Somerset. The parent charity holds 100% of the issued share capital and 100% of the voting rights of the subsidiary trading company.



## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 17 Investments (cont'd)

The principal activities of the company was that of acting as an agent in the sale of insurance, Age UI Funeral Plans and other related products. The trading subsidiary gift aids its taxable profits to Age UK Somerset annually under the Gift Aid Scheme. The Registered Office is Ash House, Cook Way Bindon Road, Taunton, Somerset, TA2 6BJ.

The results of Age UK Somerset Trading LTD were as follows:

	2018 £	2017 £
Turnover	110,858	127,219
Costs of sales	(40,240)	(51,563)
	<hr/>	<hr/>
Gross profit	70,618	75,656
Administrative expenses	(13,742)	(16,530)
	<hr/>	<hr/>
Operating profit	56,876	59,126
Gift aid to Age UK Somerset	(56,876)	(59,126)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
The assets and liabilities were:		
Current assets	32,916	27,914
Current liabilities	(32,914)	(27,912)
	<hr/>	<hr/>
Total net assets	2	2
	<hr/>	<hr/>
Called up share capital	2	2
	<hr/>	<hr/>
	2	2
	<hr/>	<hr/>

### 18 Debtors

	Group £	2018 Charity £	Group £	2017 Charity £
Trade debtors	39,394	27,711	40,183	28,791
Amounts due from group undertakings	-	32,343	-	26,555
Other debtors	13,166	13,166	16,831	16,831
Prepayments	5,940	5,461	6,203	5,753
	<hr/>	<hr/>	<hr/>	<hr/>
	58,500	78,681	63,217	77,930
	<hr/>	<hr/>	<hr/>	<hr/>

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 19 Creditors: Amounts falling due within one year

	Group £	2018 Charity £	Group £	2017 Charity £
Trade creditors	4,919	4,919	7,974	7,974
Other creditors and accruals	28,103	27,952	33,347	32,911
Taxation and social security	8,441	8,020	10,999	10,078
Grants received in advance	-	-	6,900	6,900
	<hr/>	<hr/>	<hr/>	<hr/>
	41,463	40,891	59,220	57,863
	<hr/>	<hr/>	<hr/>	<hr/>

### 20 Grants received in advance

	Group £	2018 Charity £	Group £	2017 Charity £
Balance as at 1 April 2017	6,900	6,900	15,032	15,032
Amount released to income for charitable activities	(6,900)	(6,900)	(15,032)	(15,032)
Amount deferred in year	-	-	6,900	6,900
	<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 31 March 2018	-	-	6,900	6,900
	<hr/>	<hr/>	<hr/>	<hr/>

**Notes to the Financial Statements**  
**for the year ended 31 March 2018 (continued)**

**21 Statement of funds – Group and Charity**

	Balance 1 April 2017	Income	Expenditure	Transfers	Balance 31 March 2018
	£	£	£	£	£
<b>Restricted funds</b>					
Ageing Well Somerset	4,250	98,777	(173,795)	94,366	23,598
Ageing Well North Somerset	-	35,599	(54,088)	29,002	10,513
Befriending Together	14,593	17,472	(26,819)	-	5,246
Information and Advice	-	35,582	(56,206)	30,916	10,292
Information and Advice North Somerset (SCAMS)	-	13,233	(14,732)	1,499	-
Living Better North Somerset (Alliance Homes Together)	700	27,761	(37,879)	9,418	-
Living Better West Somerset	-	-	(5,168)	5,168	-
North Somerset & Somerset Services	500	10,342	(10,909)	67	-
Partners in Care	23,718	48,563	(70,730)	-	1,551
Surviving Winter	7,993	5,050	(4,575)	-	8,468
Toenail Cutting	-	26,012	(71,447)	45,435	-
Winter Reablement	-	35,720	(38,883)	3,163	-
<b>Total restricted funds</b>	<b>51,754</b>	<b>354,111</b>	<b>(565,231)</b>	<b>219,034</b>	<b>59,668</b>
<b>Unrestricted funds</b>					
Designated:					
Information and Advice	-	6,818	-	(6,818)	-
Ageing Well Somerset	-	96,595	-	(94,366)	2,229
Ageing Well North Somerset	-	26,361	-	(26,361)	-
North Somerset & Somerset Services	-	1,260	-	(760)	500
Toenail Cutting	-	49,571	-	(45,435)	4,136
<b>Total designated funds</b>	<b>-</b>	<b>180,605</b>	<b>-</b>	<b>(173,740)</b>	<b>6,865</b>
General	214,183	226,187	(191,962)	(45,294)	203,114
<b>Total unrestricted funds</b>	<b>214,183</b>	<b>406,792</b>	<b>(191,962)</b>	<b>(219,034)</b>	<b>209,979</b>
<b>Total funds</b>	<b>265,937</b>	<b>760,903</b>	<b>(757,193)</b>	<b>-</b>	<b>269,647</b>



## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 21 Statement of funds (continued)

#### Restricted Funds

- Ageing Well Somerset is a project to promote healthy lifestyles and improved mobility for older people with activity classes organised across Somerset.
- Ageing Well North Somerset is the same service as Ageing Well Somerset, funded by North Somerset PCT.
- Befriending Together is aimed at providing a service to help combat loneliness and isolation across Somerset and North Somerset.
- Information and Advice provides face to face and telephone access to up to date information on older people's issues and provides advice on services that are available.
- Information and Advice North Somerset (SCAMS) is to provide in North Somerset an up to date information service regarding housing, social and personal matters.
- Living Better North Somerset was a very successful project funded as part of North Somerset Council's Older Persons Support Alliance working in partnership with Alliance Living, Rethink and Carers Trust Phoenix. Due to a significant reduction in the council's budget the partnership could no longer continue to commission the service and it ended in March 2018. The council, however, have recognised the positive impact of Age UK Somerset's activities and as of April 2018 have commissioned a new standalone provision called Befriending North Somerset.
- Living Better West Somerset was a very successful project in partnership with the West Somerset GP Federation and Somerset Partnership NHS Foundation Trust. Due to a lack of funds the partnership could no longer continue to commission the service and it ended in April 2017. The costs shown for 2017-18 relate to staff final salary and redundancy costs.
- North Somerset & Somerset Services was initially set up in 2015-16 using reserves funding to maintain a positive presence in community activity services for over 55's in North Somerset following the loss of the North Somerset Council Community Connect contract, until further income streams could be sourced. During 2016-17 the service became successful and financially sustainable through service fees and a Postcode Lottery Grant for 20k, which also enabled an expansion into Somerset. Regrettably due to further unsuccessful grant applications the service was reduced to provide only one activity club in Clevedon, North Somerset from May 2017. Age UK Somerset's coordination of the club ended in March 2018 due to non-sustainability, but through third party donations and some designated financial support from Age UK Somerset the club is continuing independently with volunteers.
- Partners in Care was a very successful project in partnership with Musgrove Park Hospital and the British Red Cross. Due to a lack of funds the partnership could no longer continue to commission the service and it ended in March 2018.
- Surviving Winter is a small grant giving programme with funds provided by the Somerset Community Foundation and Age UK, to support older people in Somerset experiencing fuel poverty in winter and funds provided by Quartet Community Foundation to support those in North Somerset.

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 21 Statement of funds (continued)

- Toenail Cutting provides a basic toenail cutting service via a network of community based clinics. This service has been registered with the Care Quality Commission to enable a small scale domiciliary service to be provided to housebound older people.
- Winter reablement was a very successful project in partnership with SOMPAR. Due to a lack of funds the partnership can no longer continue to commission the service and it is due to end in July 2018.

#### Designated Funds

- Information and Advice includes unrestricted service fees income of £6,818 received from the service. The designated fund has been transferred to offset restricted expenditure in this service.
- Ageing Well Somerset includes unrestricted service fees income of £96,595 received from the service. £94,366 of the designated fund has been transferred to offset restricted expenditure in this service.
- Ageing Well North Somerset includes unrestricted service fees income of £26,361 received from the service. The designated fund has been transferred to offset restricted expenditure in this service.
- North Somerset & Somerset Services includes unrestricted service fees income of £1,260 received from the service. £760 of the designated fund has been transferred to offset restricted expenditure in this service.
- Toenail Cutting includes unrestricted service fees income of £49,571 received from the Toe Nail Cutting service. £45,435 of this designated fund has been transferred to offset restricted expenditure in this service.

### 22 Analysis of net assets between funds – Group

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Tangible fixed assets	2,324	-	2,324	5,549
Net current assets	207,655	59,668	267,323	260,388
	<hr/>	<hr/>	<hr/>	<hr/>
	209,979	59,668	269,647	265,937
	<hr/>	<hr/>	<hr/>	<hr/>

The analysis for the charity is identical to the Group with the exception of the unrestricted funds, where investments represent £2 and net current assets £207,653. The difference relates to the issued share capital of Age UK Somerset Trading LTD.

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 23 Operating Leases

The following amounts were charged to the Statement of financial of activities during the year:

	Group £	2018 Charity £	Group £	2017 Charity £
Operating leases	36,695	36,695	36,975	36,975
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 24 Commitments

At 31 March 2018 the charity and group had total commitments under non-cancellable operating leases and service contracts expiring as follows:

	Land and buildings	
	2018 £	2017 £
Less than one year	33,046	33,046
Between two and five years	44,416	11,371
	<u>          </u>	<u>          </u>
	77,462	44,417
	<u>          </u>	<u>          </u>
	2018 £	Other 2017 £
Less than one year	5,775	12,091
Between two and five years	-	1,883
	<u>          </u>	<u>          </u>
	5,775	13,974
	<u>          </u>	<u>          </u>



# Thank you

We'd like to thank all our donors, campaigners, customers and supporters for their valued contributions, as well as our staff, volunteers, local and national partners. Thanks also go to the businesses, public bodies, trusts and foundations that have supported us during the year.

## We'd love your support

There are many ways you could help Age UK Somerset



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## To find out more:

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Write to us at:

**Age UK Somerset  
Ash House  
Cook Way  
Taunton  
Somerset TA2 6BJ**

*An artistic interpretation of our logo drawn  
by Josie, a young supporter.*



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