

Charity Registration No. 1122954

Company Registration No. 06144912 (England and Wales)

AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Philip Sampson Ronald Staker Jacqueline Powell Peter Stewart Jackie Wells David Paynton	(Appointed 26 June 2018) (Appointed 6 December 2018)
Chair of trustees	Ronald Staker	
Chief officer	Peter Bennie	
Secretary	Peter Stewart	
Treasurer	Philip Sampson	
Charity number	1122954	
Company number	06144912	
Principal address	Freemantle & Shirley Community Centre Randolph Street Southampton Hampshire SO15 3HE	
Registered office	Freemantle & Shirley Community Centre Randolph Street Southampton Hampshire SO15 3HE	
Independent examiner	Fiander Tovell Limited Stag Gates House 63/64 The Avenue Southampton Hampshire SO17 1XS	
Bankers	National Westminster Bank plc 43-49 London Road Southampton Hampshire SO15 2AD	
	Virgin Money PLC Jubilee House Gosforth Newcastle upon Tyne NE3 4PL	

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
LEGAL AND ADMINISTRATIVE INFORMATION**

Solicitors

Paris Smith LLP
Number 1 London Road
Southampton
Hampshire
SO15 2AE

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
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AGE CONCERN SOUTHAMPTON (OPERATING AS AGE UK SOUTHAMPTON) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their report and financial statements for the year ended 31 March 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

Principal objectives

Age UK Southampton (the operating name of Age Concern Southampton), as defined by the Memorandum and Articles of Association, aims to promote the relief of older people living in and around Southampton in any manner that is deemed by law to be charitable. We work in partnership and collaboration with other local charities, voluntary bodies, statutory authorities and organisations in furtherance of our charitable purposes, supporting older people from all cultures, religions and sexual orientation.

In going about our work and establishing our aims and objectives, the Trustees have given careful consideration to the Charity Commission's guidance on public benefit. The charitable company's principal aims are:

- To provide support and services for Southampton's older people, and those who care for them
- To reduce isolation, poverty and inequality
- To promote positive ageing and independence by supporting active and healthy lifestyles
- To inform local older people and those who care for them of their rights and choices

Key facts about Southampton's older population

- There are 33,214 people aged 65 and over living in Southampton. This age group is growing faster than any other group in the city.
- Southampton becoming more deprived. On the index of multiple deprivation, ranked 67th (where 1 is the most deprived) out of 326 local authorities in 2015, compared to 81st in 2010. Almost a fifth (19.2%) of the population aged 60 and over in Southampton are living in poverty, more than the national average.
- There are wide disparities in life expectancy between the most and least deprived areas of the city; men in the least deprived areas live 8 years longer than in the most deprived; for women the difference is 4.7 years.
- Almost 16% of people aged 65+ in Southampton report high levels of loneliness in their daily lives.
- In 2017-18, 1128 Southampton residents aged 65 and over were admitted to hospital as an emergency following a fall, significantly more than the England rate, and the second highest after Liverpool.

It is with a focus on these challenges faced by Southampton older population that Age UK Southampton prioritises its resources and service provision.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

Principal activities

- A Home Visiting Service for those who are lonely, isolated or housebound.
- Information & Advice on a wide range of issues affecting older people, including benefits, finance, pensions and social care; delivered in partnership with Citizens Advice Southampton and five other local advice agencies.
- A Wellbeing Service to assess needs and help older people find and access the support that they need, promoting healthy living, and encouraging older people to increase the levels of physical and social activity.
- Modernising provision of Day Care for the physically and mentally frail at our dedicated centre at Padwell Road, in partnership with CIC 'Social Care in Action'.
- Falls Prevention programme targeted at NHS patients who have had an injurious falls, or who have a fear of having a fall; delivered in partnership with the Saints Foundation and Southampton City Council Sheltered Housing.

Home Visiting is funded entirely by charitable sources; Information & Advice has been funded through a combination of a contract from energy provider E.ON and a statutory authority contract from 1 February 2018; the Wellbeing Service is funded by a combination of charitable sources and the Falls Prevention CCG grant; the Day Care programme is funded by a statutory authority contract ('Southampton Living Well'); the Falls Prevention programme is funded by a grant from Southampton City CCG.

Overview of 2018-19

Age UK Southampton, like many voluntary sector organisations, faces a challenging set of forces that are driving up demand while weakening the prospects for income and increasing operating costs.

We went into the year with the exciting prospect of new partnerships and contracts for Information & Advice and the transformation of Day Care, transferring across staff from our former day Care subcontractor and continuation of our Falls Prevention programme. At the same time, we were making the transition to a volunteer-led staffing model, and the reorganisation of our core services; over the year we regretfully had to make a number of posts redundant, resulting in additional payroll costs of £16,500 and challenges over the summer month in meeting customer demand. Local partners, particularly through secondments from Citizens Advice Southampton and Age Concern New Forest, assisted us in meeting challenges until we concluded recruitment to our new structure in September.

Over the year we further consolidated our delivery model working from our base at Freemantle Community Centre and using opportunities presented by this co-location to engage new volunteers, set up new volunteer-led services, and support additional clients through other groups using the centre. The lower cost base at the Centre enabled us to reduce our overheads to £60,900 (2017-18 budget £75,500), and further economies brought the figure down further to £47,600 for 2019-20.

The Charity undertook a significant review of its systems and processes in order to ensure compliance with the new General Data Protection Regulations which came into force in May 2018. Further work on data systems will be continuing into 2019-20 evaluating cloud storage and hardware upgrades to ensure that operating systems are fully supported; the Charity continues to benefit from Microsoft's 'non-profit' package.

Fundraising remained a major challenge through 2018-19 due to reductions in Trust & Foundation income, increased competition, and a lack of suitable candidates for our vacant Fundraising Officer position. For the immediate future, the Charity is committed to pursuing funding through Trust and Foundation applications, and developing legacy income; over the longer term, the objective is to achieve a diversified set of income streams, with a significant contribution from paid-for services.

**AGE CONCERN SOUTHAMPTON
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TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

Budgetary constraints and environmental factors dictated a full strategic review of the Charity's service-offer, cost-base, delivery model and how we work with our partners, culminating in a new Strategic Plan (2019-22), with agreed objectives by the Senior Management and Board of Trustees:

- Building scale and addressing resource constraints
- Ensuring that the continuity of the Charity's services
- Maintaining quality of delivery, increasing income streams and growing services
- Supporting and developing our people.

The Trustees and Senior Management are in agreement that during 2018-19 they have made a realistic assessment of the Charity's strategic, financial and operational positions, achieved cost-savings and service-efficiencies, and appropriately prioritised use of resources to meet contractual commitments, maintain quality of delivery and respond to the needs of Southampton's older population.

Achievements and performance

Our 14 staff and 130+ volunteers run a wide range of activities to support the wellbeing of our city's older citizens, and stay connected to normal daily activities.

As part of our work to address loneliness and isolation, we established three new weekly volunteer-led groups at the Freemantle Community Centre comprising a 'Chums' friendship group, knitting groups, and an I.T. group to help older people stay connected through technology; the latter was supported by a grant from Southampton City Council.

The Charity provides a comprehensive Information & Advice service, so that our clients, their carers, and families can access the help and support they need from ourselves, statutory service providers and other charities in our city; the service was supported by Southampton City Council and the energy provider E.ON. Our I&A service assists clients to claim the state benefits that they are entitled to, and in 2018-19 we achieved an annual increase in benefits for our clients totalling £394,026.

In the previous year, our services had been impacted by staff absence, particularly through senior management health issues, resulting in 2,750 people being supported across 14,640 sessions. We are pleased to report that for 2018-19, the number people supported has increased to almost 4,700 across 34,800 client support sessions.

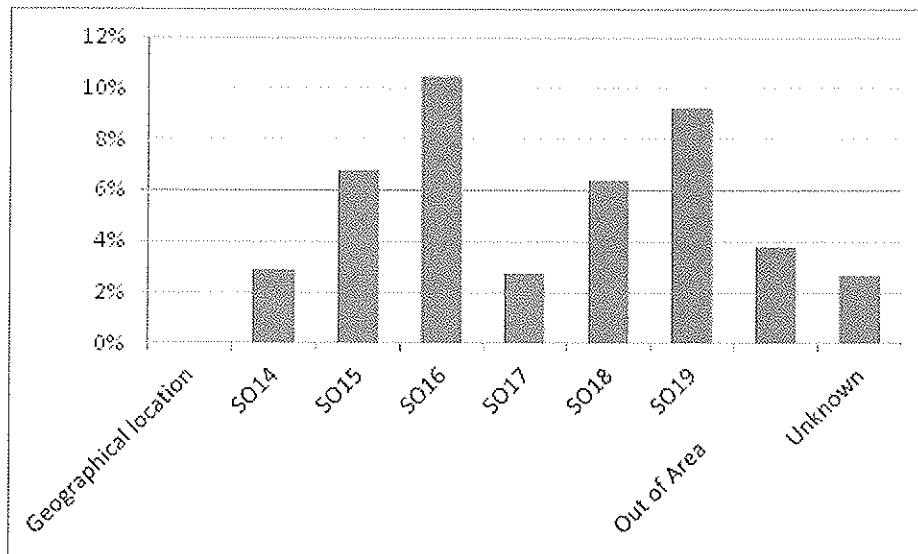
How we supported Southampton's older people:

CLIENT SUPPORT, BY SERVICE	AVERAGE NUMBER OF CLIENTS SUPPORTED EACH MONTH	NUMBER OF CLIENT SUPPORT SESSIONS 2018-19	NUMBER OF INDIVIDUAL CLIENTS SUPPORTED 2018-19
Knitting Groups	35	393	24
Computer Clubs	56	620	135
Chums Groups	60	940	25
Home Visiting	50	17375	138
Southampton Living Well day care	73	8099	190
Information & Advice direct	33	2427	3353
Information & Advice via National Helpline	29	353	353
Wellbeing and Assessment	83	916	191
Falls Prevention exercise classes	15	3666	282
TOTAL ALL SERVICES	434	34789	4691

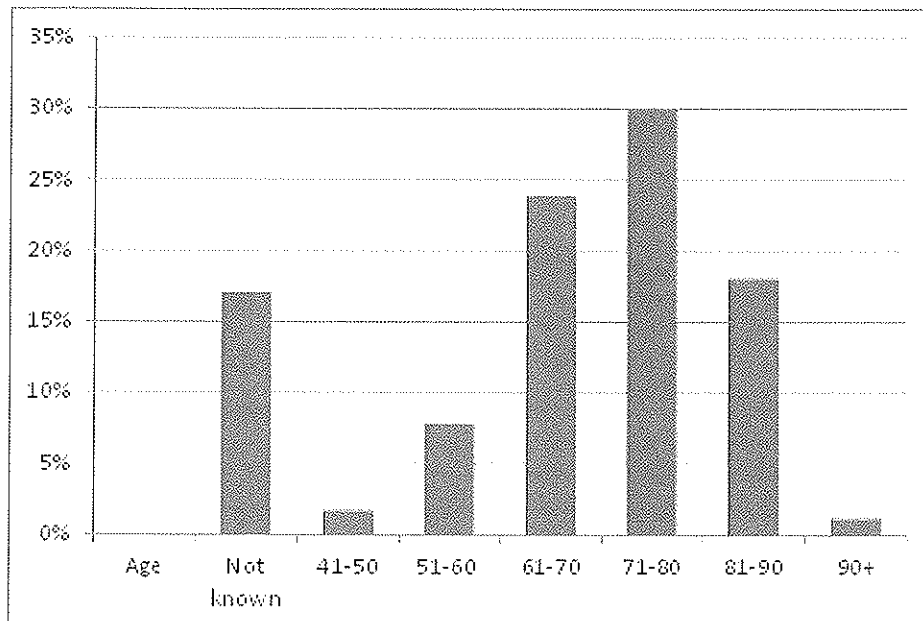
**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

About our clients

At least 93% of our clients live in the Southampton City postcode areas



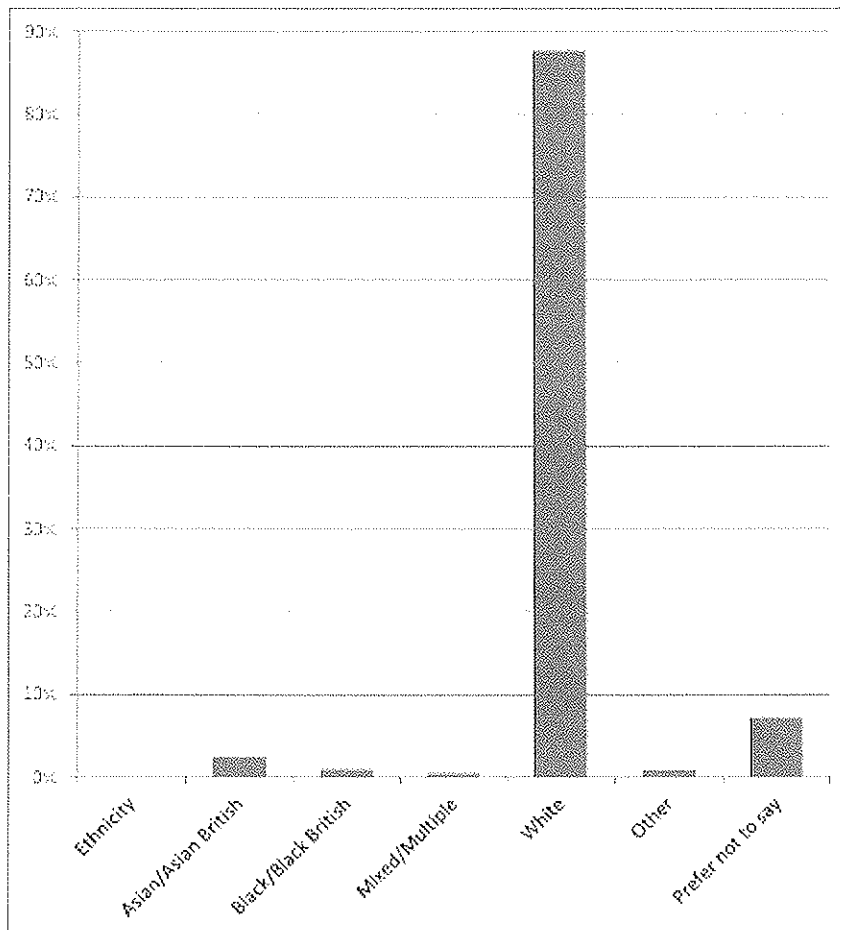
At least 73% of our clients are aged over 60; 19% are aged over 80



**AGE CONCERN SOUTHAMPTON
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FOR THE YEAR ENDED 31 MARCH 2019**

88% of our clients state their ethnic origin to be 'White British'.

This indicates a continued need for positive action to ensure our services are reaching a more representative cohort of Southampton's communities.



Home Visiting Service

Ten areas of Southampton city are in the top 8% of the country's neighbourhoods at risk of loneliness, and many older people live their lives with only the TV for company. Age UK Southampton provides a number of services to combat loneliness and isolation including social groups, IT classes to help people use technology to stay connected, and a well-established home visiting service (previously referred to as 'befriending').

The home visiting service represents the largest cohort of our volunteers, and supported almost 140 different clients over the year. The volunteer-client matching process is also undertaken by volunteers, with paid staff supervising the overall service, and the ongoing demand is evident from a constant waiting list of around 40 clients.

The service was supported financially through the Charity's reserves and donations, and is one of the priority services for 2019-20 fundraising.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

Grants and Contracts

Information & Advice

2018-19 was the first full year of running this well-established service as part of the 'Advice Southampton' partnership through Southampton City Council's 'Advice, Information and Guidance' contract. The partnership developed well over the year, with significant time invested into referral processes and monitoring systems to improve efficiencies and support better outcomes for clients. The lead partner, Citizens Advice Southampton, provided additional support to address staff absences over the summer months. Under this contract, we supported 3,700 clients, with out-of-hours telephone and web-based advice provided by the national Age UK charity.

Day Care

This contract started on 1st April 2018 through a new consortium, led by Social Care in Action (SCiA). Branded 'Southampton Living Well', this is a five-year City Council contract from April 2018 to transform day care for the city's older people, and an opportunity to co-develop support to access a wider range of services whilst retaining valuable hub-based assets, including our centre at Padwell Road. This centre supported 190 individuals, in addition to the respite benefit for their carers; clients for this service tend to have the highest levels of frailty of all people that the Charity supports.

Falls prevention

This was the third year of delivery of this programme, and through additional funding from the CCG, we extended the offer to four locations across the city. 282 clients, referred through the NHS Community Independence Service, benefitted from the classes, designed to improve postural stability, and hence reduce the chances of a further fall.

Our Environment

Like all charities, we are operating in a rapidly changing environment, presenting us with both challenges and opportunities. Particular factors that affect us include significantly reduced budgets for local authorities and the growing needs of Southampton's ageing population. We have maintained and strengthened our relationships with Southampton City Council, Southampton City Clinical Commissioning Group, Public Health, primary care and other NHS services to co-develop a more integrated, person-centred approach to older people's needs; this capitalises on our ability to recruit and deploy volunteers to provide sustainable support to address Southampton's older people's needs.

Volunteers

Volunteers lie at the heart of all we do and provide the majority of time resources in our services. For example, in the case of the Home Visiting Service, over 80% of the people resources devoted to the service are provided by volunteers.

Our charity, and thus our clients, benefitted from the support of an average of 134 volunteers each month, donating over 9,000 hours over the year; based on the National Minimum Living Wage, this represents a contribution of over **£73,900**.

Over the year 55 of our volunteers withdrew from the Charity, many of these for health-related reasons, and we were deeply saddened by the death of 82-year old Jim Neal, who had supported our lunch clubs, 'Chums' social groups and Computer Clubs. We were delighted to welcome 45 new volunteers to our organisation, and look forward to many more additions to the team as we grow our services, in particular the Day Care/ Living Well programme.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

What our volunteers did:

Breakdown of Reported Annual Hours by Service Area	
Service Area	Total hours for 2018-19
I&A	930
Health & Wellbeing:	
• Day Care/Living Well	741
• Falls Prevention/Exercise Classes	643
• Social Groups/Coffee mornings	643
Wellbeing & Assessment	124
Home Visiting Service (including volunteer mentors)	2014
Office/Reception/admin/accounts/HR/operational	2293
Governance (Trustees)	803
Marketing, Comms, Events & Fundraising	147
Computer Club	663

Staffing

Like many charities, we remain dependent on the expertise, continued health, commitment and enthusiasm of a small team of staff. We are grateful for the support demonstrated by those who were involved in the internal reorganisations; maintaining our client services and supporting our volunteers. We welcome the new members of the team who joined us during 2018, and send our best wishes to those who moved on.

Quality Standards

The charity was awarded the Advice Quality Standard (<https://advicequalitystandard.org.uk/>) in 2017, and since then has ensured that its Information & Advice Service remains compliant, and that clients are provided with an accessible, well-managed service.

During the year, the charity invested significant resources in preparation for Age UK's "Charity Quality Standard" assessment, and was awarded the accreditation in April 2019. Our achievement of the Age UK Charity Quality Standard recognises the high standard of our performance as an organisation. It certifies that our organisation is well governed and managed; has a clear direction and strategy; and is committed to ensuring the well-being and safety of older people, our staff and volunteers.

Complementing this work was the completion of Good Age UK Quality Standard – "Respecting and valuing older people" which has led to increased levels of consultation with older people in the development of our services.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

Financial review

The charitable company's income totalled £425,200. This represents an increase of £80,800 on the prior year and is due to the Living Well and Falls Prevention contracts. A review of the charity's services and organisational structure was carried out in Spring 2018 to better align income, services and affordable costs.

The charitable company had unrestricted reserves of £139,999 at the year end. The Trustees' policy is to maintain minimum unrestricted reserves sufficient to allow the orderly restructuring of the charity in the event that this should become necessary. Currently this amount is set at £70,000. When the fundraising strategy reaches fruition, the Trustees will be able to assess the stability of this income stream and set a maximum reserve level.

Given the uncertainty in the economic environment and the limited funds available for investment, the Trustees have decided that reserves should only be placed in short term deposits.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 7 March 2007, and governed by its Memorandum and Articles of Association.

It was registered as a charity under the Charities Act 2011 on 26th February 2008.

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Philip Sampson	
Christine Robinson	(Resigned 20 April 2018)
Ronald Staker	
Jacqueline Powell	
Peter Stewart	
Gudrun Cartwright	(Resigned 3 October 2018)
Jackie Wells	(Appointed 26 June 2018)
Diane Chamberlain	(Appointed 26 July 2018 and resigned 17 May 2019)
David Paynton	(Appointed 6 December 2018)

Trustees are either appointed directly by the members or co-opted by the Board and confirmed at the Annual General Meeting. Trustees serve for three years initially, after which period they may put themselves forward for re-appointment. New Trustees are recruited through suitable agencies and local organisations with the aim of providing the Board with a wide range of relevant skills, knowledge and expertise. Induction training emphasises roles and responsibilities, making use of Charity Commission publications, together with an introduction to the structure of the organisation and the activities in which it is engaged.

The Board of Trustees are responsible for making strategic and policy decisions. The operational and day-to-day decisions are made by the Chief Officer.

The Trustees gratefully acknowledge support received from various organisations including our Independent Examiner, Fiander Tovell, and our solicitors, Paris Smith LLP. We therefore offer them our sincere thanks, as well as Southampton City Council, Age UK, Southampton City Clinical Commissioning Group, Southampton Charitable Trust and all our donors and friends.

We are also grateful to our partners for their support during the year, in particular Citizens Advice Southampton, Social Care in Action, Freemantle & Shirley Community Association, Age Concern New Forest, and the network of local Age UK charities in Hampshire & Isle of Wight and beyond. The Senior management team would also like to express their gratitude to the Trustees for their support and guidance during the year.

This report has been prepared in accordance with the special provision relating to small companies within Part 15 of the Companies Act 2006.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees' report was approved by the Board of Trustees.



Ronald Staker
Chair of the Board of Trustees

Dated: 16 ¹⁰/₂₀₁₉.

References:

† Southampton City Council Public Health "Living Well into Older Age in Southampton: Vision and Framework for Action" August 2019

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF AGE CONCERN SOUTHAMPTON**

I report to the Trustees on my examination of the financial statements of Age Concern Southampton (the charitable company) for the year ended 31 March 2019, which are set out on pages 11 to 25.

Respective responsibilities of trustees and examiner

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

Having satisfied myself that the financial statements of the charitable 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 charitable company's financial statements 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.

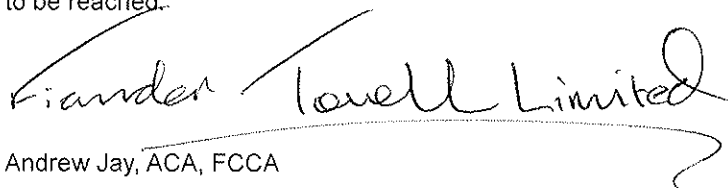
Independent examiner's statement

Since the charitable 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 a member of the Institute of Chartered Accountants in England and 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 that in any material respect:

- (i) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (ii) the financial statements do not accord with those records; or
- (iii) the financial statements 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
- (iv) the financial statements 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

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 financial statements to be reached.


Andrew Jay, ACA, FCCA

For and on behalf of
Fiander Tovell Limited
Stag Gates House
63/64 The Avenue
Southampton
Hampshire
SO17 1XS

Dated: 25/10/19

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income and endowments from:</u>					
Donations and legacies	3	32,860	300	33,160	107,661
Charitable activities	4	369,857	16,522	386,379	230,596
Other trading activities	5	3,425	930	4,355	3,599
Investments	6	129	-	129	42
Other income	7	1,177	-	1,177	2,520
Total income		407,448	17,752	425,200	344,418
<u>Expenditure on:</u>					
Raising funds	8	25,291	311	25,602	72,724
Charitable activities	9	366,073	31,222	397,295	343,200
Total resources expended		391,364	31,533	422,897	415,924
Net incoming/(outgoing) resources before transfers		16,084	(13,781)	2,303	(71,506)
Gross transfers between funds		(14,400)	14,400	-	-
Net income/(expenditure) for the year/ Net movement in funds		1,684	619	2,303	(71,506)
Fund balances at 1 April 2018		138,315	-	138,315	209,821
Fund balances at 31 March 2019		139,999	619	140,618	138,315

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
BALANCE SHEET
AS AT 31 MARCH 2019**

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	13		2,011		1,763
Current assets					
Debtors	15	80,959		104,795	
Cash at bank and in hand		85,273		129,562	
		<u>166,232</u>		<u>234,357</u>	
Creditors: amounts falling due within one year	16	<u>(27,625)</u>		<u>(92,805)</u>	
Net current assets			138,607		141,552
Total assets less current liabilities			<u>140,618</u>		<u>143,315</u>
Provisions for liabilities					
Defined benefit pension liability	18	-		5,000	
		<u>-</u>		<u>5,000</u>	
Net assets			<u>140,618</u>		<u>138,315</u>
Income funds					
Restricted funds	19		619		-
Unrestricted funds			139,999		138,315
			<u>140,618</u>		<u>138,315</u>

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2019. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

The accounts were approved by the Trustees on ...11/10/2019



Ronald Staker
Trustee

Company Registration No. 06144912

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1 Accounting policies

Charity information

Age Concern Southampton is a charitable company limited by guarantee, incorporated in England and Wales. The registered office is Freemantle & Shirley Community Centre, Randolph Street, Southampton, Hampshire, SO15 3HE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's memorandum and articles of association, the Companies Act 2006, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), "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)" (as amended for accounting periods commencing from 1 January 2016) and applicable charity and company law. The charitable company is a Public Benefit Entity as defined by FRS 102. The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Transfers are made between funds when adequate justification and supporting evidence is provided.

1.4 Incoming resources

Grants are accounted for on an accruals basis and allocated between funds according to the basis of the grant being provided. Grant income is recognised when the charity is entitled to it after performance conditions have been met, the amounts can be measured reliably and it is probable that the income will be received. Where the charitable company is required to repay any part of the grant a provision is made for the amount due to be repaid.

Grants from local authorities and similar organisations have been included as contracts for services where applicable but as donations where the money is given with greater freedom of use.

Donations and legacies receivable are accounted for where there is entitlement, sufficient certainty of receipt and the amount can be measured reliably. In the case of unsolicited donations this is usually only when received. All other income is accounted for under the accruals concept. No amounts are included in the financial statements for services donated by volunteers. Donated capital items are included within the financial statements at their current value at the time of donation. Trading income is receivable on a profit share basis.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

1 Accounting policies

(Continued)

Income received for future periods is deferred until those periods.

1.5 Resources expended

All expenses are accounted for on an accruals basis. Expenditure incurred in connection with the specific objects of the charitable company is included under the heading of direct charitable expenditure; overheads are allocated to activities in proportion to their use of facilities. The irrecoverable element of VAT is included with the item of expense to which it relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets costing £1,000 or more are capitalised and are stated at cost less depreciation. Donated assets are included at their current value at the time of donation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	3 years straight line
Office equipment and furniture	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

The charitable company operates a defined contribution scheme under auto-enrolment. Contributions payable are charged to the statement of financial activities in the year in which they are payable.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.13 Creditors and provisions

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

1.14 Debtors

Debtors are recognised at the settlement amount due.

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and gifts	7,280	300	7,580	33,661
Legacies receivable	25,580	-	25,580	74,000
	<u>32,860</u>	<u>300</u>	<u>33,160</u>	<u>107,661</u>
For the year ended 31 March 2018	<u>107,361</u>	<u>300</u>		<u>107,661</u>

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

4 Charitable activities

	Grants receivable £	Fees receivable £	Total 2019 £	Total 2018 £
Southampton Living Well/Day Centre	110,024	96,995	207,019	132,620
Falls Revolution	56,603	3,725	60,328	56,603
Falls Revolution 2	55,000	2,865	57,865	-
Advice, Information and Guidance	28,875	-	28,875	4,813
Lunch & Laughs	-	-	-	6,166
Age UK EON benefits project	12,772	-	12,772	14,260
Computer Club at FSCC	3,750	-	3,750	-
Unrestricted grants from Age UK	15,770	-	15,770	16,134
	<u>282,794</u>	<u>103,585</u>	<u>386,379</u>	<u>230,596</u>
Analysis by fund				
Unrestricted funds	266,272	103,585	369,857	
Restricted funds	16,522	-	16,522	
	<u>282,794</u>	<u>103,585</u>	<u>386,379</u>	
For the year ended 31 March 2018				
Unrestricted funds	210,170	-		210,170
Restricted funds	20,426	-		20,426
	<u>230,596</u>	<u>-</u>		<u>230,596</u>

Grants receivable include £254,252 (2018: £200,202) from local authorities in relation to service level agreements.

5 Other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
Fundraising income	3,425	930	4,355	3,599
	<u>3,425</u>	<u>930</u>	<u>4,355</u>	
For the year ended 31 March 2018	<u>3,599</u>	<u>-</u>		<u>3,599</u>

**AGE CONCERN SOUTHAMPTON
(OPERATING AS AGE UK SOUTHAMPTON)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

6 Investments

	2019 £	2018 £
Investment income	129	42

All investment income for the current and prior year was unrestricted.

7 Other income

	2019 £	2018 £
Other income	1,177	2,520

All other income for the current and prior year was unrestricted.

8 Raising funds

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Staff costs	9,338	-	9,338	45,822
Other fundraising costs	2,925	-	2,925	1,943
Support costs	13,028	311	13,339	24,959
	<u>25,291</u>	<u>311</u>	<u>25,602</u>	<u>72,724</u>

All fundraising expenditure for the prior year was unrestricted.

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

9 Charitable activities

	2019	2018
	£	£
Service contracts	-	106,644
Fees for services	67,578	23,955
Staff and volunteer costs	131,424	1,498
Rent, rates and utilities	-	1,341
Travel costs	1,247	2,798
Sundry costs	437	759
Computer costs	854	204
	<u>201,540</u>	<u>137,199</u>
Share of support costs (see note 10)	187,762	195,898
Share of governance costs (see note 10)	7,993	10,103
	<u>397,295</u>	<u>343,200</u>
Analysis by fund		
Unrestricted funds	366,073	300,908
Restricted funds	31,222	42,292
	<u>397,295</u>	<u>343,200</u>

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

10 Support costs

	Support costs	Governance costs	2019	2018	Basis of allocation
	£	£	£	£	
Staff costs	162,018	-	162,018	184,269	Use of facilities
Depreciation	724	-	724	1,282	Use of facilities
Premises costs	15,407	-	15,407	14,287	Use of facilities
Insurance	2,868	-	2,868	1,605	Use of facilities
Printing and stationery	4,979	-	4,979	5,996	Use of facilities
Telephone	3,751	-	3,751	5,063	Use of facilities
Computer costs	7,192	-	7,192	3,641	Use of facilities
Travel	560	-	560	1,244	Use of facilities
Publicity and events	267	-	267	59	Use of facilities
Fees for services	226	-	226	1,467	Use of facilities
Sundries	2,735	-	2,735	1,432	Use of facilities
Bank charges	374	-	374	512	Use of facilities
Accountancy	-	5,700	5,700	7,620	Governance
Payroll fees	-	1,139	1,139	119	Governance
Legal and professional fees	-	1,100	1,100	2,364	Governance
Trustees' meeting expenses	-	54	54	-	Governance
	<u>201,101</u>	<u>7,993</u>	<u>209,094</u>	<u>230,960</u>	
Analysed between					
Fundraising	13,339	-	13,339	24,959	
Charitable activities	187,762	7,993	195,755	206,001	
	<u>201,101</u>	<u>7,993</u>	<u>209,094</u>	<u>230,960</u>	

Governance costs include £1,800 (2018 - £1,800) in respect of the independent examination.

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the current or prior year.

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2019	2018
	Number	Number
Management	3	3
Other	13	8
	<u>16</u>	<u>11</u>

Employment costs

	2019	2018
	£	£
Wages and salaries	278,579	212,797
Social security costs	14,431	14,479
Pension costs	8,130	2,316
Other staff costs	2,919	1,332
	<u>304,059</u>	<u>230,924</u>

There were no employees whose annual remuneration was £60,000 or more.

In addition, a great amount of time (around 9,000 hours), the value of which has not been reflected in these financial statements, is donated by our many volunteers.

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

13 Tangible fixed assets		Office equipment and furniture	
		£	
Cost			
At 1 April 2018			19,143
Additions			972
			<u>20,115</u>
At 31 March 2019			<u>20,115</u>
Depreciation and impairment			
At 1 April 2018			17,380
Depreciation charged in the year			724
			<u>18,104</u>
At 31 March 2019			<u>18,104</u>
Carrying amount			
At 31 March 2019			<u>2,011</u>
At 31 March 2018			<u>1,763</u>
14 Financial instruments		2019	2018
		£	£
Carrying amount of financial assets			
Debt instruments measured at amortised cost		166,232	233,856
		<u>166,232</u>	<u>233,856</u>
Carrying amount of financial liabilities			
Measured at amortised cost		23,257	38,375
		<u>23,257</u>	<u>38,375</u>
15 Debtors		2019	2018
		£	£
Amounts falling due within one year:			
Prepayments and accrued income		80,959	104,795
		<u>80,959</u>	<u>104,795</u>
16 Creditors: amounts falling due within one year		2019	2018
		£	£
	Notes		
Other taxation and social security		4,368	4,430
Deferred income	17	-	55,000
Other creditors		7,396	324
Accruals		15,861	33,051
		<u>27,625</u>	<u>92,805</u>

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

17 Deferred income

	2019 £	2018 £
Arising from grants	-	55,000
	<u> </u>	<u> </u>

Deferred income is included in the financial statements as follows:

	2019 £	2018 £
Current liabilities	-	55,000
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

18 Retirement benefit schemes

Defined benefit schemes

In previous years, the charitable company disclosed its participation in the Age UK Retirement Benefits Scheme. However, recent investigations into the history of Age Concern Southampton's involvement with the Age UK Retirement Scheme have revealed that Age Concern Southampton, company limited by guarantee ("the charitable company") has never been an employer in the defined benefit section of the Retirement Scheme. The ongoing defined benefit liabilities attributable to the former Age Concern Southampton Charitable Trust were therefore not transferred to its successor, the charitable company, and have therefore been removed from the accounts. However, the charitable company has made a provision of £5,500 in respect of any pension liabilities that may arise.

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2019
	Balance at 1 April 2018	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Welfare Fund	-	300	(447)	147	-
Computer Club at FSCC	-	3,750	(5,238)	1,488	-
Age UK EON benefits project	-	12,772	(25,537)	12,765	-
Padwell Road DCC Fundraising	-	930	(311)	-	619
	-	17,752	(31,533)	14,400	619
	-	17,752	(31,533)	14,400	619

	Movement in funds				Balance at 31 March 2018
	Balance at 1 April 2017	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Welfare Fund	-	300	(300)	-	-
Lunch and Laughs	-	6,166	(15,071)	8,905	-
Age UK EON benefits project	-	14,260	(26,921)	12,661	-
	-	20,726	(42,292)	21,566	-
	-	20,726	(42,292)	21,566	-

Welfare Fund - This fund is designed to alleviate individual cases of hardship, where a small sum of money can provide an older person with something to make a considerable improvement to their quality of life.

Computer Club at FSCC - Grant from Southampton City Council to initiate computer classes at Freemantle Community Centre.

Age UK EON benefits project - Benefits checks for vulnerable clients funded through Age UK by energy supplier E.ON.

Padwell Road DCC Fundraising - Fundraising activities by clients and supporters at Padwell Road Day Care Centre.

**AGE CONCERN SOUTHAMPTON
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019**

19 Restricted funds

(Continued)

Lunch & Laughs - This is a project funded by Thornhill Community Health Group to set up Lunch & Laughs groups at two sheltered housing accommodation sites across Thornhill to help reduce isolation and loneliness among many of the residents and encourage them to participate more in their communities.

Transfers are made between restricted and unrestricted funds when funds are no longer required to be held for specific purposes or where insufficient funds are held to meet specific purposes.

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2019 are represented by:			
Tangible assets	2,011	-	2,011
Current assets/(liabilities)	137,988	619	138,607
	<u>139,999</u>	<u>619</u>	<u>140,618</u>

All fund balances at 31 March 2018 related to unrestricted funds.

21 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	10,500	10,500
Between two and five years	14,000	24,500
	<u>24,500</u>	<u>35,000</u>

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate remuneration	<u>102,440</u>	<u>104,352</u>

There were no other related party transactions during the year (2018 - none).

