

Company Registration No. 04175500 (England and Wales)
Charity Registration No. 1085875

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING
A COMPANY LIMITED BY GUARANTEE
AUDITED CONSOLIDATED REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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**AGE UK SUTTON
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**REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

The Directors present their report together with the financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015 – Charities SORP 2015 (FRS102)) and the Companies Act 2006.

1. Reference and Administration Details of the Charity, its Trustees and Advisors

President:

Marilyn Gordon-Jones

Trustees:

The Trustees, who are also directors of the Company and who have held office during part or all of the year 2020-2021 and/or up to the date this report is signed are:

Catherine James (Chair – resigned 30 November 2020)
Janet Samuel (Elected Chair 30 November 2020)
Kumar Ghosh (Treasurer)
Tim Howe (Vice Chair)
Chrisha Alagaratnam (Co-opted 27 May 2020, appointed 30 November 2020)
Vaskor Basak
Gillian Perkins
Norman Scarlett (Co-opted 18 February 2020, appointed 30 November 2020)

Chief Executive and Company Secretary:

Nicola Upton

Charity No: 1085875

Company No: 04175500

Registered Office: Sutton Gate, 1 Carshalton Road, Sutton, Surrey SM1 4LE

Auditor: Moore (South) LLP, Priory House, Pilgrims Court, Sydenham Road, Guildford, Surrey, GU1 3RX

Bankers: Metro Bank, 83-87 High Street, Sutton, SM1 1JF

Lloyds Bank, Blackheath Branch, Blackheath, London SE3 9LH (from 1 May 2019)

Investment Managers: Brewin Dolphin, 12 Smithfield Street, London, EC1A 9BD

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2. Structure Governance and Management

- 2.1 Age UK Sutton (AUKS) is a local charity supporting older people in the London Borough of Sutton. As a local 'Brand Partner' of the national Age UK charity, AUKS operates independently, raising its own funds and delivering services to meet local needs, pursuing its mission to make Sutton a more Age Friendly Place.

As a 'Brand Partner' of Age UK, Age UK Sutton receives a small level of financial and administrative support from the national charity, and is required to meet certain conditions, particularly regarding branding, website structure, and the delivery of an information and advice service. Other decisions on delivery and development are made locally, according to Age UK Sutton's own Memorandum and Articles of Association and strategic priorities.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, in planning future activities and setting strategic priorities for the future.

2.2 Governing document:

Age UK Sutton's governing document is the Memorandum and Articles of Association, which was last reviewed and approved by the Charity Commission in 2013.

Age UK Sutton is a registered charity limited by guarantee, and has one subsidiary:

- Age UK Sutton Trading Ltd, which is currently dormant as no non-charitable purpose trading activities are in progress.

2.3 Structure and decision making

The Board of Trustees meets at least four times a year and is responsible for governing the affairs of AUKS.

During the Covid 19 pandemic in 2020 and 2021, the Board met more frequently, initially with weekly calls and monthly full Board meetings, and then monthly information meetings, in order to keep Trustees informed in the rapidly changing situation, and to enable closer than usual collaboration between the senior team and the Board to support the strategic response to the unfolding challenges of the pandemic. The CEO and Chair also maintained regular contact, up to three times a week, in order to discuss strategy and communication, and to ensure that the Board was fully advised of service changes, impact on staff, volunteers and clients, and emerging challenges and opportunities for impact.

The Board agrees the broad strategy and direction to ensure the organisation fulfils its objectives. It takes overall responsibility for ensuring that the financial, legal, and contractual obligations of the charity are met and that there are satisfactory systems and controls in place to ensure quality and continuous improvement.

The Board receives regular quality, performance, and finance reports.

Three committees have delegated responsibility for scrutiny and oversight of key strategic areas, and report into the Board via committee Chair briefings at Board meetings and exception reporting.

The Finance, Risk and Audit Committee reports on all areas of risk, both financial and non-financial, which could threaten the viability, reputation, or operational efficiency of AUKS. A Fundraising Committee steers fundraising strategy and performance, and a Quality Committee oversees quality of service delivery, employee experience and volunteering. All of the committees meet four times a year. From time to time, trustees also participate in working groups for specific projects.

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2. Structure Governance and Management /contd...

Trustees (Directors) are elected at the Annual General Meeting to serve a term of three years and can be re-elected, save for the Chair who may serve a maximum of six consecutive years. The Board can co-opt people during the year to ensure the Board has a broad range of skills and experience and in order to facilitate trustee succession. All members give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts.

Age UK Sutton's Board of Trustees and the Senior Leadership Team work closely together to deliver the strategic aims of the charity. A Scheme of Delegation sets out roles and responsibilities for decision making.

Day to day decision making is delegated to the Chief Executive, who delegates specific responsibilities to the Senior Leadership Team, and other managers as appropriate.

Pay and remuneration are reviewed annually by the Pay Committee which meets in July and whose membership includes the Chair, Vice Chair, Treasurer and CEO. The Pay Committee considers proposals for pay review and makes a recommendation to the Board, who then reviews and approve recommendations. The CEO's pay and remuneration is determined by a closed session of the Pay Committee and approved at a closed Board session. There is a pay policy setting out how pay is reviewed and benchmarking activity. Individual pay may be reviewed outside of the annual cycle by exception, for example if there is a significant change in role or responsibilities.

Trustee candidates are selected via a rigorous process involving advertising or a recruitment specialist, interview and references, and are elected by the membership. Following appointment, Trustees undergo an induction programme and all Trustees attend training, briefings, and meetings to support their development and that of the charity.

2.4 Relationship with other parties:

Age UK Sutton's active subsidiary (Age UK Sutton Trading Ltd) exists to receive earned income with any net profit being gifted by way of donation to Age UK Sutton for the furtherance of its charitable objectives. The Trading Company does not currently undertake any regular income generating activity.

3. Objectives and Activities for Public Benefit

3.1 The Objects for which the Charity (the "Objects") is established and to which it is specifically restricted are to promote the following purposes for the benefit of the public and/or older people in and around the London Borough of Sutton ("the area of benefit"):

- preventing or relieving the poverty of older people;
- advancing education;
- preventing or relieving sickness, disease or suffering in older people (whether emotional, mental or physical);
- promoting equality and diversity;
- promoting the human rights of older people in accordance with the Universal Declaration of Human Rights;
- assisting older people in need by reason of ill-health, disability, financial hardship, social exclusion or other disadvantage; and
- such other charitable purposes for the benefit of older people as the Trustees may from time to time decide

the outcome of this being the promotion of the well-being of older people.

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3. Objectives and Activities for Public Benefit /contd...

3.2 In 2020-2021, Age UK Sutton delivered a wide range of services, with the primary offer including:

- Independent information and advice on a drop in, outreach and appointment basis which offers support on a wide range of topics including wellbeing, rights, financial matters, housing, and products and services;
- Support with benefit appeals and consumer disputes;
- 'Help at Home' including day to day support, cleaning and shopping, companionship, light meal preparation, medication prompting, and a 'sitting' service;
- Delivery of commissioned services to provide support to the public including targeted information and advice and expert support for those leaving hospital or experiencing ill health (including mental ill health), with the aim of improving health outcomes and reducing readmission/further health issues;
- Two commissioned Social Prescribing services, the first operating as part of a multidisciplinary team to support adults with complex social needs to set goals and manage their own outcomes; the second commissioned to take direct referrals from General Practice to support patients with social needs to find lasting solutions to complex challenges and be connected to local services and groups to support this (these two services merged on 1 April 2021);
- Social activities, befriending, exercise, and educational events, collectively described as the 'Community Connectors' programme;
- Activity that promotes civic engagement and influences decision makers, including enabling older people to participate in consultation, delivering engagement events, participating in national campaigns, and running Sutton's 'Age Friendly' engagement programme in partnership with Sutton Council.

During the 2020-2021 year, Age UK Sutton also developed and delivered a range of new services, many in response to the Covid-19 pandemic. COVID-19 has had a profound impact on older people and the work of charities across the UK and globally. Age UK Sutton responded quickly by adapting services and developing new activity to meet new, escalating, and emerging need. During the 2020-2021 year the pandemic continued to have a major impact on older people and the whole of society, with the specific challenges affecting people evolving and changing over time. In response, Age UK Sutton continually pivoted existing services and developed new offers to respond quickly and effectively.

The impact of the pandemic continues to be felt, and the charity is committed to continuing to learn and develop services in response, and to use learning from the 2020-2021 year to inform longer term plans and developments. The support of partners, funders, and commissioners has been critical in these developments, and Age UK Sutton greatly appreciates their support and flexibility.

Many activities of Age UK Sutton could not be delivered without the support of volunteers. During 2020-2021 some volunteers suspended their activity, and others came on board. Volunteers who joined the charity often initially were able to commit more hours than usual due to being on furlough from paid work, or as a result of other activities being suspended.

A total of 143 volunteers supported Age UK Sutton's work during the year.

No cost has been apportioned in respect of the time given by our volunteers in accordance with the SORP.

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3. Objectives and Activities for Public Benefit /contd...

3.3 Age UK Sutton's Key Performance Indicators for the year 2020-2021:

In March 2021, the Covid-19 pandemic was in its early stages, and the business plan prepared in February 2020 for the 2020-2021 year was agreed. Financial KPIs were set as part of budget setting.

Due to the rapid impact of the pandemic in subsequent months, final delivery KPIs for the year were not set, as it was recognised that need was continuously changing. As noted above, the rapidly changing environment and needs led Age UK Sutton to adopt a pivot plan, intentionally responding as the situation changed. Focus on strategic priorities was maintained throughout the year, and the Board agreed that rapid development and response was the best use of charity resources. These developments were governed through weekly updates to the Board by the CEO, regular (up to twice weekly) contact between the CEO and Chair, and, until November 2020, monthly Board meetings.

The table (3.3A) below represents the priorities identified in the business plan, and also sets out other key figures which illustrate Age UK Sutton's impact during this highly unusual year. Table 3.3(B) sets out financial performance comparing budget KPIs to actual at year end.

3.3 A	Performance Indicators	2019- 2020	2020- 2021	Comment
	% of population aged 75+ reached	13.5% (1512)	13.08% (1461)	Total population over 75 (Sutton Datacard): 11,168. NB the 2020-2021 figure ins a minimum, as from April -July 2020, emergency measures in place meant that age data was not captured from all clients
	Total number of unique individuals provided with support	2914	3461 + 1000: 4461	In addition to the 3,461 unique individuals recorded, Age UK Sutton also provided large volumes of telephone support to anonymous callers from May-September 2020, which were not formally recorded due to time and database access constraints. Based on call records, we estimate this additional number of clients provided one-off advice and support to be in excess of 1,000 unique individuals
	Total number of volunteers deployed	102	143	
	Financial gains outcomes secured for older people	£1.375 m	£489,302	Financial gains for 2020-2021 are significantly lower than the previous year, as many older people chose not to pursue benefit claims during crisis, and outcomes for those who did were often delayed. In early 2021-2022, Age UK Sutton began proactively offering financial wellbeing checks to begin to address this backlog

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3. Objectives and Activities for Public Benefit /contd...

3.3 B	Financial Performance indicators	KPI (budget)	2020- 2021 result	Comment
	Financial Surplus/(Deficit)	£24,200	£83,622	See note below
	Enterprise Revenue	£365,600	£185,000	Enterprise revenue and contribution were significantly affected by Covid restrictions in the first two quarters of the year. Recovery has been steady, and workers were redeployed to emergency funded activity
	Enterprise Contribution	£163,000	£78,100	
	New Grant Income (gross)	£150,000	£313,000	New grant income significantly exceeded target for 2020-2021. This result is due to a combination success with regular grant programmes, but also, significant success with emergency Covid funding to enable new and expanded services during the Crisis
	Minimum monthly cash balance	£75,000	£191,800	
	General and designated reserves minimum	£300,000	£414,200	At the time of preparation of these accounts, the Age UK Sutton reserves policy has been updated, to reflect the increasing annual income of the charity, setting reserves levels as a proportion of income, rather than a fixed figure

Performance against budget was good, and under the circumstances this was an exceptional achievement, with the year ending in a surplus after accounting for an unrealised gain on investments of £69,756 (2019-2020 £83,623). Income streams varied in their success, with Enterprise significantly below budget due to a required shut down in summer 2020. However, this was mitigated by grant income that significantly exceeded budget. Some of this grant income enabled enterprise workers to be redeployed into alternative paid roles, maintaining work availability and provision of alternative services, as part of the Covid crisis response.

4. Achievement and Performance

Over the course of the year 2020-2021, Age UK Sutton directly delivered a service to 4,461 people (2019-2020: 2,914). 1,461 of these people were over 75 years old (2019-2020: 1,512). The number of people receiving a service significantly increased in 2020-2021, in part as a result of new commissions and contracts (Social Prescribing MDT and PCT services, new grants) but mostly due to rapidly escalated need for support due to the impacts of the Covid pandemic. This demand has been sustained through the year, and into the 2021-2022 year, both because needs have remained high (although the nature of need has changed), and also because of the increased awareness of Age UK Sutton's services resulting from the charity's delivery and impact during a time of crisis.

The charity supported older people in Sutton to secure £489,302 in 2020 - 2021 (2019-2020: £1.375m) in new income and savings, through supporting people to claim the benefits to which they were entitled, and cost savings, for example, through changing utilities suppliers. This is substantially lower than the previous year, as a result of decreased demand for this support. When asked, older people informed us that although important, reducing energy bills, claiming benefits, and making other savings was not a priority at a time where health, wellbeing, isolation, and basic practical needs like access to food and medication were at risk. Age UK Sutton is proactively contacting older people who may have delayed financial gains support, in order to address the 'backlog' of need for older people across Sutton.

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4. Achievement and Performance /contd...

New activity in 2020-2021, largely in response to the pandemic included:

- Co-leading the Borough's community Covid response in partnership with Volunteer Centre Sutton and Community Action Sutton, and in collaboration with other local charities and partners;
- Expansion of befriending services (redeveloped into the 'Community Connections' service) to support over 600 individuals with friendship and support calls, and to assist lonely and isolated older people to reconnect with their community;
- Development of a new 'doorstep welfare check' programme where vulnerable older people received shopping and/or prescription deliveries from a trained member of staff who also conducted a brief wellbeing check;
- A three month pilot 'Health and Wellbeing for Older People' service developed in partnership with Sutton Health and Care, redeploying one Social prescribing Link Worker to provide intensive support Between April and July 2020, to 35 vulnerable people being cared for in the community as a result of the Covid-18 pandemic;
- A collaboration with local General Practice through which Age UK Sutton staff performed welfare and wellbeing checks on vulnerable patients (in person or by telephone) when GP services were under pressure, identifying patients with new or escalating needs and referring them back for clinical assessment;
- A new emergency food delivery programme, developed in collaboration with Sutton Council and other local charities, to pool resources and coordinate distribution of emergency food both from government schemes and local donations, reaching 470 individuals and making 1,253 deliveries;
- Production and delivery of freshly prepared meals for vulnerable people, and free fruit and vegetables, in partnership with a local pub, the Dukes Head Wallington and Sutton Community Farm;
- Founding membership of the Sutton Operational Leadership Group, convened to bring the Council, key charities, and health partners together to plan and coordinate the Community response to the pandemic, maximising effectiveness of local resources;
- Becoming a founding member of the Sutton System Leaders' group, a strategic leadership and coordination group including senior staff from Health, Social Care, and the Charity sector in the Borough of Sutton, set up to coordinate the strategic pandemic response across sectors;
- Joining the Sutton Integrated Care Place Board to steer Health and Social Care integration across the community – this is part of national NHS reforms, but the pandemic had a specific impact on the early involvement of charities, and Age UK Sutton's CEO was invited to become a permanent member of the Board as a result;
- Continued delivery of the Age Friendly Sutton programme in partnership with Sutton Council, conducting insight activity including events (live and virtual), calls and surveys with 236 older people.

5. Plans for Future Periods

AUKS has grown significantly in the last year, as a result of securing new contracts and grants to deliver work that fulfils our strategic Mission to make Sutton a more Age Friendly Place.

At the end of the 2019-2020 year, a global pandemic broke out, which had a major impact throughout the 2020-2021 year, and continues to affect everyone, in particular older people, now. The impact of the pandemic has evolved throughout the 2020-2021 period. Initially the key challenges were access to food and medicine, anxiety and distress, and the impact of shielding, but later in the year this has evolved to long term health impacts, deconditioning due to isolation, chronic loneliness, and ongoing fear about new variants, safety in public places, and the social and financial impact of the pandemic.

During the 2020-2021 year, Age UK Sutton and neighbouring Age UK Brand Partner Age UK Croydon explored whether working together would enable us to deliver more and better for local older people. While we have concluded that this remains a viable option, we have agreed that we will prioritise finding ways of collaborating more formally together, rather than undertaking a merger of our two organisations. We intend to undertake this work during 2021-2022.

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5. Plans for Future Periods /contd...

A strategy refresh will be completed during the 2021-2022 year to refine our strategy in light of developments in Age UK Sutton and changes in our operating environment. This includes the planned development of an integrated business plan which supports strategic development and includes a stepped plan to ensure that core and support services grow in line with the increased size and scope of services, partnerships, and influencing work undertaken.

Age UK Sutton has always been committed to equality, diversity and inclusion, but in light of a growing concerns of inequalities in society, the Black Lives Matter movement, and a renewed commitment by the Board of Trustees to incorporate this commitment more fully into our strategic approach, in 2021-2022 Age UK Sutton will be developing how we ensure that we champion and promote EDI across our work, as an employer and place to volunteer, and through our partnerships and influencing work.

Age UK Sutton continues its commitment to diversifying income in order to mitigate risk, and to innovate in order to secure unrestricted and longer-term funding wherever possible. In 2021-2022, a community fundraising development programme will support longer term income generation, with a campaign planned to celebrate the charity's 30th year. Development of enterprise is also underway, exploring how the Help at Home service can evolve to provide new support services, and reach a wider audience. A strong grant pipeline is in place, and the Quality Committee, formed in November 2019, is working to strategically drive development of new commissioned services. The Trustees have agreed a stretching but realistic budget for the year, taking into account the uncertainties borne out of the pandemic year. This measured approach to development and risk has enabled the charity to end the financial year in a good position, and supported Age UK Sutton's continuing role as a leader in the local Voluntary and Community sector.

Age UK Sutton will continue to build on relationships with the Council, NHS, other charities and business, many of which have been strengthened by highly effective partnership and collaboration in response to the Covid-19 pandemic. The support of our partners, including funding from the local NHS and Council for emergency response work and support from a variety of grant making trusts and foundations, alongside the support of our national partner charity, Age UK, made a significant difference to the charity's ability to support older people during this crisis. We intend to continue to build on these relationships, and take this opportunity to thank all of our partners and supporters, both for their collaboration with Age UK Sutton, and the wider work that they undertook in 2020-2021 in response to this unprecedented global event.

Financial Review

The financial statements cover the activities of Age UK Sutton and the trading subsidiary Age UK Trading Ltd for the year ended 31 March 2021.

The incoming resources for the year amounted to £1,314,269 (2019-2020 - £1,030,857).

Expenditure for the year amounted to £1,316,470 (2019-2020 - £913,735), compared to a budgeted expenditure of £1,272,803.

This resulted in a net difference between income and expenditure of £2,201 (deficit) (budget £24,247 surplus) plus an unrealised gain on investments of £54,377, a gain on the sale of Fixed Assets of £4,800, and a remeasurement loss on the defined benefit pension scheme of £846, giving a net overall surplus for the year of £56,129.

The subsidiary Trading company reported a net deficit of £4,224 in 2019-2020. The gardening service, offered through the Trading company, was suspended in March 2020 due to the Covid crisis. A review of this service led to a decision in November 2020 to close the service permanently, in order to enable the charity to focus on higher impact activity. Clients were supported to identify and access alternative services.

In 2021-22 the Trustees have agreed a small surplus budget, to enable additional funds to be invested in development work (for example pilots of new services).

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Fundraising

The Trustees' priority is to increase all income through fundraising, in particular ensuring a greater proportion of income raised is from unrestricted sources. Income sources include grants, sponsorship, commissions, legacies, donations, community events, and regular giving.

Reserves and Investments

The Trustees have agreed a framework for determining the minimum level of reserves considered necessary to safeguard the charity's solvency. The calculation is based upon a risk assessment of the charity's financial position and outlook, taking into account additional costs and liabilities associated with the unlikely event of winding down the charity's activities.

The Trustees have determined that the charity should hold a minimum level of general unrestricted reserves of £300,000 on the basis that this covers 3-4 months of operating costs and would, in the worst case scenario, cover the costs of safely closing the charity and trading company.

General unrestricted reserves at 31 March 2021 were £472,927, including £90,000 designated for the Pension Liability.

Investment Policy and Performance

Age UK Sutton has a portfolio of investments managed within Brewin Dolphin's 'Diversified Risk' investment strategy to maximise income. It seeks a sensible balance between income and capital growth.

The aim of holding funds in investments is to grow, over time, the value of unrestricted funds held in order to increase reserves in line with the charity's overall growth, and from time to time to enable investment of capital growth in pilot projects, infrastructure, and development.

In the year to 31st March 2021 the portfolio returned 21% to stand at £325,977.

Risk Management

The Trustees hold a Risk Register which is reviewed quarterly at the Finance, Risk and Audit Committee and presented to the Board at least twice a year. New risks are highlighted and exception reporting takes place between meetings.

Principal risks and mitigations are:	
Risks	Mitigations
Long term impact of Covid on economy, funding, client needs, capability to deliver not clear	<p>Services pivoted in 20-21 to respond to the global pandemic. Services still in transition but return to "normal" service not likely until vaccination programme completed and confidence returns to pre Covid levels.</p> <p>Teams have reviewed impact of Covid and adapted business processes to respond.</p> <p>Patterns of need and demand actively monitored Use records and insight to track changes in need/demand for services.</p> <p>Service 'pivot plans' in place, enabling swift refocus of activity.</p>

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FOR THE YEAR ENDED 31 MARCH 2021**

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Risk Management contd...

Risks	Mitigations
Non-compliance against legislative and quality assurance requirements – General Data Protection Regulations, Charity Quality Standard, Safeguarding	<p>Compliance reviewed in relation to home/remote working becoming the 'norm'. and increasingly peripatetic work patterns for operational staff.</p> <p>Resource dedicated to deliver compliance programme.</p> <p>General Data Protection Regulations compliance measures in place.</p> <p>Lead Trustee for Safeguarding appointed and safeguarding review discussed at Quality Committee 14.7.21.</p> <p>Charity Quality Standard completed and achieved.</p> <p>Health and Safety Audit completed and scheduled annually, bi-weekly checks in place.</p> <p>Policy specific training sessions developed and delivered, added to annual Learning and Development plan.</p> <p>Continue to monitor guidance as and when released.</p> <p>Advance Safeguarding Lead Training identified and booked for the Chief Executive Office and Services Director - online training that is Continuing Professional Development accredited.</p>
Serious safeguarding incident which is not effectively managed	<p>Safeguarding training for staff and workers provided and refreshed every year.</p> <p>Evidence case reviews in progress.</p> <p>Safeguarding procedures in place and all staff trained.</p> <p>Safeguarding questions included in recruitment.</p>
Cyber security incident which is not effectively identified / managed	<p>Secure cloud storage used for non-sensitive information.</p> <p>Secure online databases (Charitylog and People Planner) used to store client information.</p> <p>All PC's and laptops have antivirus software installed - regularly checked to ensure software is functioning correctly and updated / Operating System updated regularly.</p> <p>Hardware firewall installed on network (managed by Sutton Housing Partnership ICT Team).</p> <p>Data protection / data security audits completed regularly (i.e. ongoing monitoring)".</p> <p>Security message on login applied to all laptops.</p> <p>Cyber security training for staff scheduled for September 2021 - will then be topped up if needed after Cyber Essentials review completed.</p>

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The one off payment AUKS would have to make to exit the defined benefit pension scheme (£88,455 at 30.09.19).	Monthly deficit payments being made to manage the pension liability. These payments are reviewed every 3 years (the actuarial valuation) with the next valuation based on 30.09.20 position due in 2021. Annual monitoring of changes in buy out liability at 30th September. We are notified of the updated valuation every July.
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Equality and Diversity

Age UK Sutton is committed to serving all older people who live in our community.

Our services are for the benefit of older people irrespective of gender, marital status, ethnic background, disability, sexual orientation, culture, politics or religious belief. Some of our services may be targeted at particular sections of the older population within Sutton in order to address particular identified needs or concerns.

Statement of Trustees Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for the year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102) second edition;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Board of Trustees is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is 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.

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Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

By order of the trustees
Janet Samuel (Chair)



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**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF AGE UK SUTTON
FOR THE YEAR ENDED 31 MARCH 2021**

Opinion

We have audited the financial statements of Age UK Sutton Limited (the 'charitable parent company') for the year ended 31 March 2021 which comprise Consolidated Statement of Financial Activities (including Income and Expenditure Account), the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable parent company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

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material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- The engagement partner selected staff for the audit who had appropriate knowledge and who had the required competence and skills to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud, management override was identified as a significant fraud risk. This is due to the ability to bypass controls through inappropriate expenditure and accounting policies adopted.
- Completeness of grant income was deemed a significant risk. Additionally as some income received is restricted in its use, a significant risk was identified regarding the correct classification of income between restricted and unrestricted funds and that the expenditure against this income was in line with any special restrictions.
- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and we considered the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council. We considered how the charitable company and subsidiary entity complies with these requirements by discussions with management and those charged with governance.

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- We enquired of management and those charged with governance as to any know instances of non-compliance or suspected non-compliance with laws and regulations. Consideration was also made of the internal controls in place to mitigate the identified risks.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding and assessed the impact and effect of Covid-19 on the operations of the charitable company and subsidiary and adapted our approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed grants received, dovetailed with work undertaken on management override.

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- tested a sample of grants to supporting documentation confirming income correctly accounted for;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- reviewed the disclosures within the financial statements to ensure they meet the requirements of the accounting standards and relevant legislation.

To address the risk of completeness of income we:-

- performed analytical procedures to identify any unusual or unexpected relationships, along with comparison to budget;
- tested a sample of grants to supporting documentation confirming income correctly accounted for;
- reviewed donations and gifts received around the year end, ensuring cut-off correctly applied; and
- agreed deferred income to supporting documentation.

To address the risk of classification of income between restricted and unrestricted we:

- agreed a sample of income recorded in the nominal ledger to source documentation to ensure any restrictions were correctly identified;
- agreed a sample of expenses incurred to ensure that they had been allocated to the correct fund; and
- obtained and reviewed fund analysis workings to ensure that the calculations were correct and agreed to the accounting records.

There are inherent limitations in our audit procedures described above. The more removed the laws and regulations are from the financial statements, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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FOR THE YEAR ENDED 31 MARCH 2021**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.



Danielle Griffin (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP, Statutory Auditor

25 November 2021

Priory House
Sydenham Road
Guildford
GU1 3RX

Moore (South) LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021
(Including Income and Expenditure Account)

		Total funds			
	Notes	Unrestricted funds	Restricted funds	2021	2020
		£	£	£	£
Income					
Donation and legacies	2	23,513	2,150	25,663	57,804
Income from charitable activities	3	666,645	616,123	1,282,768	964,882
Income from other trading activities	5	915	-	915	-
Investment income	6	4,922	-	4,922	6,337
Other income - proceeds of sale of fixed assets		4,800	-	4,800	1,834
Total Income		700,795	618,273	1,319,068	1,030,857
Expenditure					
Cost of raising funds	7	46,471	-	46,471	41,883
Charitable activities	8	655,554	591,125	1,246,679	857,466
Other	10	9,214	479	9,693	14,386
Total Expenditure		711,239	591,604	1,302,843	913,735
Net unrealised/realised gains on investments		54,377	-	54,377	(34,295)
Net Incoming Resources	11	43,933	26,669	70,602	82,827
Remeasurement (loss)/gain on defined benefit pension plan	22	(846)	-	(846)	795
Transfers		(651)	651	-	-
Net movement in funds		42,436	27,230	69,756	83,622
Reconciliation of funds					
Total funds brought forward		444,116	-	444,116	360,494
Total funds carried forward		486,552	27,320	513,872	444,116

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

As permitted by the Statement of Recommended Practice (FRS102), the parent undertaking's own statement of financial activities has not been included in these financial statements.

The gross income of the parent undertaking for the financial period was £1,241,414 (2020: £1,001,447) and the result for the period was a surplus of £70,408 (2020: £87,846).

The notes on pages 21 to 41 form part of these financial statements.

**AGE UK SUTTON
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REGISTERED NUMBER 04175500**

**BALANCE SHEET AS AT 31 MARCH 2021
Registered Company number - 04175500**

	Notes	GROUP 2021 £	GROUP 2020 £	CHARITY 2021 £	CHARITY 2020 £
FIXED ASSETS					
Tangible assets	14	5,575	2,518	5,575	2,518
Investment in subsidiary	15	-	-	1	1
Investments	16	325,977	269,234	325,977	269,234
		<u>331,552</u>	<u>271,752</u>	<u>331,553</u>	<u>271,753</u>
CURRENT ASSETS					
Debtors	17	257,415	267,471	268,015	279,425
Cash at bank and in hand		175,225	195,337	173,731	191,641
		<u>432,640</u>	<u>462,808</u>	<u>441,746</u>	<u>471,066</u>
CREDITORS:					
Amounts falling due within one year	18	(219,348)	(181,787)	(218,345)	(180,586)
NET CURRENT ASSETS		<u>213,292</u>	<u>281,021</u>	<u>223,400</u>	<u>290,480</u>
CREDITORS:					
Amounts falling due after one year	19	(6,248)	(79,362)	(6,248)	(79,362)
Defined benefit pension liability	22	(24,724)	(29,295)	(24,724)	(29,295)
NET ASSETS		<u>513,872</u>	<u>444,116</u>	<u>523,982</u>	<u>453,576</u>
FUNDS					
Unrestricted	23/24	486,552	444,116	496,662	453,576
Restricted	23/24	27,320	-	27,320	-
TOTAL FUNDS		<u>513,872</u>	<u>444,116</u>	<u>523,982</u>	<u>453,576</u>

For the year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provision relating to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board on 16/03/2021.



Janet Samuel
Chair

The notes on pages 21 to 41 form part of these financial statements.

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**STATEMENT OF CONSOLIDATED CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021	2020
		£	£
Cash flows from operating activities			
Net cash (used) / provided by operating activities	27	(22,010)	100,263
Cash flows from investing activities			
Interest received and dividends		4,922	9,551
Purchase of property, plant and equipment		(5,458)	(542)
Proceeds from sale of property, plant and equipment		4,800	1,834
Proceeds from sale of investments		117,383	69,852
Purchase of investments		(130,877)	(111,196)
Net cash (used in) financing activities		(9,230)	(30,501)
Change in cash and cash equivalents in the reporting period		(31,240)	69,762
Cash and cash equivalents at the beginning of reporting period		213,006	143,244
Cash and cash equivalents at the end of the reporting period		181,766	213,006
Cash at bank and in hand		175,225	195,337
Investments		6,541	17,669
		181,766	213,006

**AGE UK SUTTON
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**STATEMENT OF CHARITY CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021	2020
		£	£
Cash flows from operating activities			
Net cash provided by operating activities	26	(19,808)	98,607
Cash flows from investing activities			
Interest received and dividends		4,922	9,551
Purchase of property, plant and equipment		(5,458)	(542)
Proceeds from sale of property, plant and equipment		4,800	1,834
Proceeds from sale of investments		117,383	69,852
Purchase of investments		(130,877)	(111,196)
Net cash (used in) / provided by financing activities		(9,230)	(30,501)
Change in cash and cash equivalents in the reporting period		(29,038)	68,106
Cash and cash equivalents at the beginning of reporting period		209,310	141,204
Cash and cash equivalents at the end of the reporting period		180,272	209,310
Cash at bank and in hand		173,731	191,641
Investments		6,541	17,669
		180,272	209,310

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 ACCOUNTING POLICIES

a. Basis of Preparation

Age UK Sutton is a charitable 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. The company is incorporated in England & Wales. The registered address is Sutton Gate, 1 Carshalton Road, Sutton SM1 4LE.

The nature of the charity's operations and principal activities are to promote the wellbeing of older people.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting & Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared on the going concern basis, under the historical cost convention, modified to include certain items at fair value.

The financial statements are prepared in sterling which is the functional currency of the charity and have been rounded to the nearest pound.

b. Going Concern

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

c. Group Financial Statements

Consolidated Financial Statements are prepared in respect of the company and its wholly owned subsidiary Age UK Sutton Trading Limited and results are consolidated on a line by line basis. A separate Statement of Financial Activities is not prepared as permitted by Section 408 the Companies Act 2006.

d. Incoming Resources

- Donations and other voluntary income are recognised when receivable by the charity.
- Grants and contracts including those for purchase of fixed assets are recognised in full in the year in which they are receivable.
- Legacies are accounted for at the earlier of:
 - the date on which 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 charity that a distribution will be made; or
 - when a distribution is made from the estate.

Receipt of a legacy, in whole or 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 criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 ACCOUNTING POLICIES / contd...

d. Incoming Resources /contd...

- Investment income is accounted for in the period in which the charity is entitled to receipt.
- The income from user fees is recognised in the period to which it relates. Any income received in advance is treated as deferred income.
- Trading income received for services provided is recognised in the year in which it is due.

The value of services provided by volunteers is not incorporated in the financial statements. Details of the contribution of volunteers can be found in the trustees' annual report.

e. Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred and includes irrecoverable VAT.

Costs of raising funds comprise the costs associated with attracting voluntary income and fundraising.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for older people.

Other expenditure represents those costs not falling into any other heading.

f. Allocation of Support Costs

Costs are allocated to the particular activity where the costs relate directly to that activity. However, the costs of overall direction and administration on each activity, is apportioned on the basis of income received or staff time whichever gives a reasonable assessment.

g. Deferred Income

Where the donor imposes conditions and this requires a level of performance before entitlement can be obtained, the income is deferred until these conditions are fully met or the fulfilment of these conditions is within the control of the charity and it is probable that they will be fulfilled.

h. Operating Leases

Rental payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

i. Pension Costs

Contributions to the group's defined contribution pension scheme are charged to the Statement of Financial Activities in the year in which they become payable. The assets of the scheme are held separately from those of the group in an independently administered fund.

Contributions to The Pensions Trust's Growth Plan, a multi-employer scheme are charged to the Statement of Financial Activities in the year which they become payable and are accounted for in accordance with FRS 102.

j. Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

k. Fixed Assets

All expenditure under £500 is treated as an expense in the period.

Expenditure on capital purchases is depreciated on a straight line basis based on the expected useful life of the item.

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 ACCOUNTING POLICIES / contd...

k. Fixed Assets /contd...

Fixtures and fittings	- 25.00% straight line
Computer equipment	- 33.33% straight line
Vehicles	- 25.00% straight line

l. Investment in Subsidiary

The investment in subsidiary is stated at cost.

m. Investments

Investments are stated at market value and all gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between proceeds of sale and cost of purchase. Unrealised gains and losses are calculated as the difference between the market value and the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.

n. Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid at the balance sheet date.

o. Cash at Bank and In Hand

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

p. Creditors

Trade and other creditors are recognised when the charity has present obligations resulting from past events and can be measured or estimated reliably. Creditors are recognised at their settlement amounts.

q. Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

r. Unrestricted Funds

Unrestricted funds are donations and other incoming resources receivable and income generated to fulfil the objects of the charity without further specified purpose and are available, as general funds, for use at the discretion of the trustees.

s. Designated Funds

Designated funds are unrestricted funds assigned for a particular purpose by the board of Trustees. The aim and purpose of the designated funds are set out in the notes to the accounts.

t. Restricted Funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. Expenditure that meets these criteria is charged to the funds together with a fair allocation of management and support costs. The aim and purpose of the restricted funds are set out in the notes to the accounts.

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 ACCOUNTING POLICIES / contd...

u. Judgements and Estimates

In the application of the 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 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.

2 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations	17,013	2,150	19,163	22,261
Legacies	6,500	-	6,500	35,543
	<u>23,513</u>	<u>2,150</u>	<u>25,663</u>	<u>57,804</u>

In 2020 all donations and legacies were unrestricted.

3 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
User Fees and Other Income				
Help At Home income	185,312	-	185,312	348,078
Consultancy fees	13,200	-	13,200	7,672
User fees and charges	1,287	-	11,287	36,767
Client shopping recharge income	-	77,374	77,374	-
	<u>199,799</u>	<u>77,374</u>	<u>277,173</u>	<u>392,517</u>
Grants and Contracts (see Note 4)	466,846	538,749	1,005,595	572,365
Total Income from Charitable Activities	<u>666,645</u>	<u>616,123</u>	<u>1,282,768</u>	<u>964,882</u>

In 2020 £199,248 of grants and contracts were restricted.

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4 GRANTS AND CONTRACTS

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
LB of Sutton* – Advice Link Partnership Sutton commission	62,612	-	62,612	40,000
LB of Sutton* – Emergency Funding Covid 19	-	86,388	86,388	-
Sutton CCG* – Home from Hospital commission	225,000	-	225,000	225,000
Sutton CCG – Emergency Funding Covid 19	-	43,393	43,393	40,642
Sutton CCG – Social Prescribing MDT*	105,000	-	105,000	86,667
Sutton CCG – Social Prescribing PCN*	21,233	110,229	131,463	-
Age UK – Brand Partner payment	15,000	-	15,000	15,000
Age UK - Better Later Lives: Grant	-	-	-	16,420
Age UK – Trading Commission: Grant	-	-	-	5,808
Age UK – Warm Homes	-	9,380	9,380	9,300
Age UK – Covid Emergency	-	37,539	37,539	-
Age UK – London SRF	-	20,000	20,000	-
Citizens Advice Sutton – AdviceLink Project	-	56,048	56,048	56,875
Imagine Independence – Sutton Uplift commission	38,000	-	38,000	39,167
City Bridge	-	28,750	28,750	16,567
Sutton Community Fund – Food & Friends Project Grant	-	-	-	3,500
ASDA Foundation – Welfare Grant	-	600	600	366
Mercers	-	25,030	25,030	14,553
CAF Resilience Fund	-	28,766	28,766	-
Independent Age	-	12,500	12,500	-
London Community Funders	-	34,221	34,221	-
The National Lottery	-	18,478	18,478	-
City of London – Wave 1 and 2	-	16,748	16,748	-
Goundworks	-	500	500	-
Neighbourly Community Fund	-	400	400	-
Mercers – Covid Emergency	-	5,000	5,000	-
Skipton Building Society	-	2,280	2,280	-
Sutton Infrastructure	-	2,500	2,500	2,500
	<u>466,846</u>	<u>538,749</u>	<u>1,005,595</u>	<u>572,365</u>

* LB of Sutton – London Borough of Sutton; CCG – Clinical Commissioning Group; MDT- Multi-Disciplinary Team; PCN - Primary Care Network;

All grants were expended for the purpose for which they were intended.

Included in 2020 were restricted grants and contracts of £199,248.

£149,000 of government grants were received (2020 - £40,000). This was commission funding paid by London Borough of Sutton for delivery of contracted Information and Advice services.

**AGE UK SUTTON
AND ITS SUBSIDIARY UNDERTAKING**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Other	915	-	915	-
	<u>915</u>	<u>-</u>	<u>915</u>	<u>-</u>

In 2020 no income from other trading activities was restricted.

6 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Dividends	4,912	-	4,912	6,300
Bank interest	10	-	10	37
	<u>4,922</u>	<u>-</u>	<u>4,922</u>	<u>6,337</u>

In 2020 no investment income was restricted.

7 RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Investment managers fees	2,545	-	2,545	3,621
Wages and salaries	34,809	-	34,809	16,172
Staff recruitment	-	-	-	34
Fundraising	2,094	-	2,094	1,290
General office expenses	7,023	-	7,023	1,393
Support costs (note 9)	-	-	-	19,373
	<u>46,471</u>	<u>-</u>	<u>46,471</u>	<u>41,883</u>

In 2020 no expenses for raising funds were restricted.

**AGE UK SUTTON
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

8 CHARITABLE EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Wages and salaries	466,468	435,905	902,373	670,806
Staff related costs	28,024	24,631	52,655	18,195
Volunteer expenses	487	-	487	1,305
Rent & rates	29,847	6,171	36,018	34,467
Cleaning & utilities	1,756	309	2,065	327
Legal & professional fees	7,000	2,000	9,000	1,663
Communication & postage	20,457	3,304	23,761	15,351
General office expenses	12,800	21,446	34,246	21,649
Depreciation	-	-	-	714
Client shopping	-	77,374	77,374	-
Support costs (note 9)	88,715	19,985	108,700	92,989
	<u>655,554</u>	<u>591,125</u>	<u>1,246,679</u>	<u>857,466</u>

In 2020 £197,419 of charitable expenditure was restricted.

9 SUPPORT COSTS

	Charitable Expenditure £	Total 2021 £
Wages and salaries	68,338	68,338
Staff related costs	16,139	16,139
Communications	3,305	3,305
Rent & rates	5,744	5,744
Cleaning & utilities	438	438
Other	12,335	12,335
Depreciation	2,401	2,401
	<u>108,700</u>	<u>108,700</u>

All support costs are deemed to relate wholly to charitable expenditure.

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10 OTHER COSTS

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Audit fee	7,500	-	7,500	8,160
Accountancy	521	479	1,000	3,834
Accountancy under accrued last year	84	-	84	678
Trustees expenses / AGM	452	-	452	1,264
Pension interest	657	-	657	450
	<u>9,214</u>	<u>479</u>	<u>9,693</u>	<u>14,386</u>

In 2020 no other costs were restricted.

These costs are deemed to be the governance costs of the group.

11 NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

Group and Charity	2021 £	2020 £
This is stated after charging:		
Audit	7,500	8,160
Other services	1,084	4,512
Depreciation	2,401	714
	<u>10,985</u>	<u>8,586</u>

12 TRUSTEES AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

Trustees did not receive remuneration in the year for their services. During the year 2 Trustees (2020 – 5) were reimbursed expenses of £114 (2020 - £661) in respect of travel and subsistence. At the year end £Nil (2020 - £Nil) was owed to the trustees. The expenses claimed are in line with the Memorandum & Articles.

Key management received total remuneration of £153,409 (2020 - £148,800).

Trustee Indemnity Insurance is included within the charity's overall insurance. During the year the charity paid £3,636 (2020 - £3,360) in respect of Insurance.

**AGE UK SUTTON
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**NOTES TO THE FINANCIAL STATEMENTS
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13 STAFF COSTS AND NUMBERS

Group and Charity	2021	2020
	£	£
Aggregate payroll costs were:		
Wages and salaries	903,719	696,816
Social security costs	67,004	49,350
Other pension costs	20,872	14,940
	<u>991,595</u>	<u>761,106</u>

Particulars of employees:

The average number of full-time equivalent staff employed by the charity during the financial year amounted to:

	2021	2020
	No.	No.
Administrative staff	2.7	2.8
Management staff	2.8	2.8
Other	29.3	22.0
	<u>34.8</u>	<u>27.6</u>

No employee earned over £60,000 per annum in either year.

14 FIXED ASSETS

Group and Charity	Fixtures And Fittings £	Computer Equipment £	Motor Vehicles £	Total £
Cost				
At 1 April 2020	2,826	542	31,127	34,495
Additions	-	5,458	-	5,458
Disposals	-	-	(31,127)	(31,127)
	<u>2,826</u>	<u>6,000</u>	<u>-</u>	<u>8,826</u>
At 31 March 2021				
Depreciation				
At 1 April 2020	842	8	31,127	31,977
Charge for the year – mis-posted	706	1,695	-	2,401
On disposals	-	-	(31,127)	(31,127)
	<u>1,548</u>	<u>1,703</u>	<u>-</u>	<u>3,251</u>
At 31 March 2021				
Net book value				
At 31 March 2021	<u>1,278</u>	<u>4,297</u>	<u>-</u>	<u>5,575</u>
At 31 March 2020	<u>1,984</u>	<u>534</u>	<u>-</u>	<u>2,518</u>

**AGE UK SUTTON
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15 INVESTMENT IN SUBSIDIARY

Charity	Share in group Undertakings
Cost and Net book value	
At 31 March 2021 and 31 March 2020	<u>£1</u>

The investment comprises a 100% owned subsidiary undertaking, Age UK Sutton Trading Limited which is registered in England, Company No. 07533799. The principal activity of Age UK Sutton Trading is limited to provision of sales of products and a gardening service to older people. The net loss of Age UK Sutton Trading Limited for the year ended 31 March 2021 was £650 (2020 – £4,224). Profits are donated to the parent charity, Age UK Sutton.

The aggregate share capital and reserves at the year end amounted to £(10,106) (2020 - £(9,457)).

16 INVESTMENTS

Group and Charity	2021 £	2020 £
Market value as at 1 April 2020	251,565	244,516
Additions	130,877	111,196
Disposals	(117,383)	(69,852)
Change in market value	54,377	(34,295)
	<u>319,436</u>	<u>251,565</u>
Cash available to invest	6,541	17,669
Closing valuation	<u><u>325,977</u></u>	<u><u>269,234</u></u>
	Market Value 2021 £	Market Value 2020 £
Quoted investments		
Bonds	74,715	71,680
Equities	71,428	73,714
Global Investments	121,277	60,937
Open Ended Collectives	32,204	20,145
Property	8,767	10,686
Other	11,045	14,396
Cash	6,541	17,676
	<u><u>325,977</u></u>	<u><u>269,234</u></u>

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16 INVESTMENTS / contd...

The following investments account for more than 5% of the listed investments:

	2021	2020
Findlay Park FDS	5.24%	-
Link Fund Sol Ltd Trojan Income	5.01%	5.12%
Link Fund Sol Trojan X Inc	-	8.01%

17 DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Amounts falling due within one year:				
Trade debtors	64,584	67,394	64,584	67,394
Grants and directly charged services	183,804	135,786	183,804	135,786
Prepayments	2,779	2,222	2,779	2,222
Amounts due from Group undertakings	-	-	10,600	11,954
	<u>251,167</u>	<u>205,402</u>	<u>261,767</u>	<u>217,356</u>
Amounts falling due after more than one year:				
Grants and directly charged services	6,248	62,069	6,248	62,069
	<u>257,415</u>	<u>267,471</u>	<u>268,015</u>	<u>279,425</u>

18 CREDITORS: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	11,122	568	11,122	573
Deferred Income	159,776	153,131	159,776	153,131
Other creditors	4,943	2,815	4,943	2,815
Accruals	43,507	25,273	42,504	24,067
	<u>219,348</u>	<u>181,787</u>	<u>218,345</u>	<u>180,586</u>

**AGE UK SUTTON
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19 CREDITORS: Amounts falling due after one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Deferred income	<u>6,248</u>	<u>79,362</u>	<u>6,248</u>	<u>79,362</u>

20 DEFERRED INCOME

The movement in deferred income is as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Balance at 1 April 2020	232,493	26,420	232,493	26,420
Amounts deferred in the period	159,776	212,493	159,776	212,493
Amount released to incoming resources	<u>(232,493)</u>	<u>(6,420)</u>	<u>(232,493)</u>	<u>(6,420)</u>
Balance at 31 March 2021	<u>159,776</u>	<u>232,493</u>	<u>159,776</u>	<u>232,493</u>

21 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

Group and Charity	2021 £	2020 £
Defined Contribution		
Contributions payable by the charity in the period	20,872	15,599
Multi-Employer Pension Plan		
Contributions payable by the charity in the period for defined benefit pension deficit	<u>6,074</u>	<u>5,898</u>
	<u>26,946</u>	<u>21,497</u>

Contributions of £4,840 (2020 - £2,815) were payable to pension schemes at the balance sheet date.

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22 PENSION SCHEME AND OTHER POST- RETIREMENT BENEFITS

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum (payable monthly and increasing by 3% each on 1st April)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	31 March 2021 (£s)	31 March 2020 (£s)	31 March 2019 (£s)
Present value of provision	24,724	29,295	35,537

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22 PENSION SCHEME AND OTHER POST- RETIREMENT BENEFITS / contd...

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2021 (£s)	Period Ending 31 March 2020 (£s)
Provision at start of period	29,295	35,537
Unwinding of the discount factor (interest expense)	657	450
Deficit contribution paid	(6,074)	(5,897)
Remeasurements - impact of any change in assumptions	846	(795)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	24,724	29,295

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2021 (£s)	Period Ending 31 March 2020 (£s)
Interest expense	657	450
Remeasurements – impact of any change in assumptions	846	(795)
Remeasurements – amendments to the contribution schedule	-	-
Costs recognised in income and expenditure account	-	-

ASSUMPTIONS

	31 March 2021 % per annum	31 March 2020 % per annum	31 March 2019 % per annum
Rate of discount	0.66	2.53	1.39

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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22 PENSION SCHEME AND OTHER POST- RETIREMENT BENEFITS / contd...

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2021 (£s)	31 March 2020 (£s)	31 March 2019 (£s)
Year 1	6,257	6,074	5,897
Year 2	6,444	6,257	6,074
Year 3	6,638	6,444	6,257
Year 4	5,697	6,638	6,444
Year 5	-	5,697	6,638
Year 6	-	-	5,697
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

**AGE UK SUTTON
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23 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	331,552	-	331,553
Current assets	253,008	173,384	426,392
Long term assets	-	6,248	6,248
Current liabilities	(73,283)	(146,065)	(219,348)
Long term liabilities	-	(6,248)	(6,248)
Pension Liability	(24,724)	-	(24,728)
Net assets at 31 March 2021	<u>486,552</u>	<u>27,320</u>	<u>513,874</u>

Analysis of group net assets between funds for the year ended 31 March 2020

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fixed assets	271,752	-	271,752
Current assets	263,648	199,160	462,808
Current liabilities	(61,989)	(119,798)	(181,787)
Long term liabilities	-	(79,362)	(79,362)
Pension Liability	(29,295)	-	(29,295)
Net assets at 31 March 2020	<u>444,116</u>	<u>-</u>	<u>444,116</u>

**AGE UK SUTTON
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**NOTES TO THE FINANCIAL STATEMENTS
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24 MOVEMENT IN FUNDS

Group and Charity	At 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	31 March 2021 £
Unrestricted Funds					
Pension Liability	90,000	-	-	-	90,000
Total unrestricted funds excl. Pension	354,116	755,172	712,085	(651)	396,552
Total unrestricted funds	444,116	755,172	712,085	(651)	486,552

Movement in unrestricted funds for Group and Charity the year ended 31 March 2020

	At 1 April 2019 £	Incoming Resources £	Outgoing Resource s £	Transfers £	Revaluation Gains and losses £	31 March 2020 £
Unrestricted Funds						
Designated funds:						
Pension Liability	90,000	-	-	-		90,000
General funds:						
Total unrestricted exc Pension	270,494	831,609	(714,487)	-	(33,500)	354,116
Total unrestricted funds	360,494	831,609	(714,487)	-	(33,500)	444,116

Purpose of designated funds

- Pension Liability - to meet the potential cost associated should the group need to buy-out the cost associated with the defined benefit scheme.

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24 MOVEMENT IN FUNDS / contd...

Group and Charity	At 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	31 March 2021 £
Restricted Funds					
ALPS	-	-	-	-	-
Advice Link	-	56,048	(56,048)	-	-
City Bridge	-	28,750	(28,750)	-	-
Sutton ICBF	-	2,500	(2,500)	-	-
Better Lives	-	-	-	-	-
Sutton Community Fund	-	-	-	-	-
ASDA Foundation	-	900	(900)	-	-
Mercers	-	25,030	(25,681)	651	-
Warm Homes	-	9,380	(9,380)	-	-
Covid Emergency Funds	-	191,817	(191,817)	-	-
Skipton Building Society	-	2,280	(948)	-	1,332
London Community Funders					
Wave 3	-	34,221	(34,221)	-	-
The National Lottery	-	18,478	(18,478)	-	-
CAF Resilience Fund	-	28,766	(28,766)	-	-
Independent Age	-	12,500	-	-	12,500
Age UK London	-	20,000	(6,512)	-	13,488
Client Shopping	-	77,374	(77,374)	-	-
Social Prescribing	-	110,229	(110,229)	-	-
Total restricted funds	-	618,273	(591,604)	651	27,320
Total funds	444,115	1,319,068	(1,302,843)	-	513,872

The purpose of the restricted funds is set out below:

- Covid Emergency Funds – includes funds from various sources to enable continuation of provision of services to support clients through the crisis.
- Skipton Building Society – to purchase tablets for clients to use to provide virtual book club.
- London Community Funders Wave 3 – to support providing food for clients and develop a healthy lifestyle.
- The National Lottery – to support befriending volunteers.
- CAF Resilience Fund – to support increase in demand for Community Support service.
- Independent Age – to support Age UK core resilience during Covid crisis.
- Age UK London – to support a due diligence project.
- Advice on the road – City Bridge – Mobile information and advice for older people across Sutton, with a focus on reaching the most vulnerable and isolated members of the community.
- Better Lives is a programme to tackle loneliness, including assessment, methodology, goal setting, signposting and outcome measuring.
- Social Prescribing is a contract with NHS England to provide Social Prescribing services to the local Primary Care network. The restricted element of the contract relates to specified Link Worker posts directly reimbursed.

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**NOTES TO THE FINANCIAL STATEMENTS
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24 MOVEMENT IN FUNDS / contd...

Movement in restricted funds for Group and Charity the year ended 31 March 2020

Restricted Funds	At 1 April 2019	Incoming Resources	Outgoing Resource s	Transfer s	31 March 2020
	£	£	£	£	£
ALPS	-	40,000	(40,000)	-	-
Advice Link	-	56,875	(56,875)	-	-
Sutton Uplift	-	39,167	(39,167)	-	-
City Bridge	-	16,567	(16,567)	-	-
Sutton ICBF	-	2,500	(2,500)	-	-
Better Lives	-	16,420	(16,420)	-	-
Sutton Community Fund	-	3,500	(3,500)	-	-
ASDA Foundation	-	366	(366)	-	-
Mercers	-	14,553	(14,553)	-	-
Warm Homes	-	9,300	(9,300)	-	-
Total restricted funds	-	199,248	(199,248)	-	-

25 FINANCIAL OBLIGATIONS

Operating lease payments represent rentals payable by the Group and Charity. At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows: -

Group and Charity

	Land and Buildings	
	2021	2020
	£	£
Less than one year	35,000	35,000
Between two and five years	8,750	43,750

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**NOTES TO THE FINANCIAL STATEMENTS
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26 CONTROL

There are no controlling parties.

27 RECONCILIATION OF CONSOLIDATED NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period	69,756	83,622
Adjustments for:		
Depreciation charges	2,401	714
(Gains)/losses on investments	(54,377)	34,295
Gain on sale of fixed assets	(4,800)	(1,834)
Dividends and interest from investments and bank	(4,922)	(9,551)
Decrease/(increase) in debtors	10,056	(207,387)
(Decrease)/increase in creditors	(35,553)	206,646
Movement in provisions	(4,571)	(6,242)
Net cash provided by operating activities	<u>(22,010)</u>	<u>100,263</u>

28 RECONCILIATION OF CHARITY NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income for the reporting period	70,406	87,848
Adjustments for:		
Depreciation charges	2,401	714
Profit on disposal of fixed assets	(4,800)	(1,834)
(Gains)/losses on investments	(54,377)	34,295
Dividends and interest from investments and bank	(4,922)	(9,551)
Decrease/(increase) in debtors	11,410	(213,262)
(Decrease) in creditors	(35,355)	(206,639)
Movement in provisions	(4,571)	(6,242)
Net cash provided by operating activities	<u>(19,808)</u>	<u>98,607</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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29 FINANCIAL INSTRUMENTS

The carrying amounts of the charity's financial instruments are as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Financial assets				
Debt instruments measured at amortised costs	219,092	213,013	229,692	221,271
Equity instruments measured at cost less impairment	<u>319,436</u>	<u>251,558</u>	<u>319,436</u>	<u>251,558</u>
Financial Liabilities				
Financial liabilities measured at amortised cost	<u>59,572</u>	<u>28,656</u>	<u>58,569</u>	<u>27,450</u>

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