

AGE UK LONDON
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Company Number:04407861

Charity Number:1092198

AGE UK LONDON
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FOR THE YEAR ENDED 31 MARCH 2021

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AGE UK LONDON
INTRODUCTION
FOR THE YEAR ENDED 31 MARCH 2021

The past year has been an incredibly difficult one. The devastating Covid-19 pandemic has highlighted and exacerbated many of the problems faced by older Londoners prior to March 2020. The need for action to make London a truly age-friendly city is greater than ever.

We are proud of the role that Age UK London has played over the past year, alongside London Age UKs, which delivered vital front-line services to support older Londoners through the crisis. This year, in addition to responding to the specific challenges raised by the pandemic, Age UK London further developed its work to make London a more age-friendly city. We delivered core campaigns to encourage uptake of the flu vaccine, which was needed more than ever in light of the double threat of the winter flu season and Covid-19; and we successfully mobilised over 45,000 supporters in defence of vital transport concessions that were under threat of being cut.

We have continued to strengthen our relationships with key decision makers to shape the policy agenda to ensure that the views of older Londoners are heard by those taking decisions that affect their lives. The future of the city that emerges from the pandemic will be greatly shaped by the work of the London Recovery Board, so we ensured that older Londoners had the opportunity to have their opinions heard in the plan for this work, and to ensure that the mayoral candidates for the postponed 2021 elections listened their views.

We continued to support the network of Age UKs in London to deliver vital front-line services, including supporting projects as diverse as revising home care services and strengthening health and wellbeing services to accommodate a greater need for online provision.

The long-term consequences of the pandemic are not yet clear, but the negative impact it has had on the quality of older Londoners' lives is undeniable. These events have underlined the importance of Age UK London's work campaigning for change on behalf of older Londoners and to ensure that their experiences, needs and contributions are heard and acted upon by decision makers.

The Board would like to take this opportunity to thank the staff and volunteers of Age UK London and Age UK City of London for the extraordinary dedication and adaptability that they have shown during the past year, and for their enduring commitment to older Londoners.

AGE UK LONDON
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

Company number	04407861
Country of incorporation	United Kingdom
Charity number	1092198
Country of registration	England and Wales
Trustees	<p>Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:</p> <p>Imogen Clark: Chair John Cole: Treasurer Tony Birch Diana Donovan Kate James Deborah McCluskey: resigned Nov 2020 Chinara Rustamova: appointed March 2021 Elizabeth Sparrow Guy Stevenson Ravin Weerawardena: appointed Jan 2021 Alice Woudhuysen</p>
Key management personnel	Abigail Wood: Chief Executive
Bankers	<p>Arbuthnot Latham & Co Ltd Arbuthnot House 7 Wilson Street London EC2M 2SN</p>
Auditor	<p>Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL</p>

AGE UK LONDON
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021

Status

Age UK London (formally known as Age Concern London) is a charitable company limited by guarantee.

The membership of Age UK London comprises primarily the local borough-based Age UKs and Age Concern charities that operate in Greater London (the “London Age UKs”).

Age UK London has two subsidiary trading companies: Age Concern London Trading Limited, which traded as Age UK London Trading Limited (“Trading”), and Age Concern London Retail Company Limited which traded as Age UK London Retail Limited (“Retail”) both of which ceased trading in 2019-20. Age UK London is also the sole member of a charitable company limited by guarantee, Age UK City of London (which changed its name from Age Concern City of London by resolution in February 2020).

The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the Charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The overall aims and objectives of Age UK London are to improve the lives of older people across London by campaigning so that London can become an Age-friendly City. We are guided in these aims and objectives by the World Health Organisation (WHO) framework for Age-friendly Cities and Communities. We also aim to improve the lives of older Londoners by supporting the network of London Age UKs and other older people's organisations through resources, networks and forums which facilitate the way that older peoples' organisations share knowledge, create deeper working relationships and become more sustainable and efficient. During the course of the year the trustees continued to refine the strategies adopted to achieve these objectives, and our strategy can be summarised as below:

Our vision is of an age-friendly London, in line with the aims of WHO Global Network for Age-friendly Cities and Communities.

Our mission is to campaign for specific change to improve the lives of older Londoners and ensure that their experiences, needs and contributions are heard and taken into account by decision makers.

We have adopted three key strategies to achieve our objectives:

- **Core campaigns**, through which we will secure specific, sustainable changes to the policies and practices of decision makers, and where appropriate encourage behaviour change of individuals, to improve the lives of older Londoners and make London an age-friendly city.

- **Shaping the agenda**, by building relationships with key stakeholders through which we ensure that the experiences, needs and contributions are heard by decision makers and form part of the public discourse on the future of London. Through our relationship with local Age UKs in London and other older people's organisations, we can bring the data and insight on older Londoners' lives and use it to shape public policy discussions.
- **Supporting the London network of local Age UKs**. An age-friendly city relies on both campaigning and direct service provision, so we support the network of local Age UKs in London who deliver vital front-line services, and our campaigns and policy influencing are in turn informed by the insight gained via their service delivery.

To support this strategy, the trustees this year revised the principles that underpin all our work:

- We champion the contribution older Londoners make to the city.
- We put older Londoners' views, experiences and wellbeing at the heart of what we do.
- We consider diversity and inclusion in all aspects of our work and seek to challenge the additional impact of ageism alongside other inequalities.
- We base our decisions on evidence not assumptions.
- We work with others who share these principles.

Achievements and performance

Age UK London's main activities and who it seeks to help are described below. All our charitable activities focus on making London a more age-friendly city and improving the quality of life of older Londoners and are undertaken to further Age UK London's charitable purposes for the public benefit.

Responding to the pandemic

When the COVID-19 pandemic hit, Age UK London refocused its activities to provide immediate crisis support to the London Age UKs. Age UK London coordinated offers of support from external bodies, funding, information and resources from across London, and signposted them to the most appropriate London Age UK.

In partnership with a social enterprise, Social Box, Age UK London distributed laptops and tablets to older Londoners via London Age UKs and to the staff of London Age UKs who were forced to work from home as a result of lockdown. This increased access to services for older Londoners and helped London Age UKs ability to deliver services to older Londoners effectively during lockdown. One woman who received a laptop told us:

"I have been using zoom to touch base with family and friends... to listen to music and access church activities..... It has made a huge difference to my life."

The Covid-19 pandemic both revealed and exacerbated some of the deepest inequalities that exist in London. While all older people were more vulnerable to the virus, older people from Black, Asian and minority ethnic backgrounds felt the greatest impact. People of Bangladeshi heritage have been dying at twice the rate of white Britons, while other black, Asian and minority ethnic groups have had between 10% and 50% higher risk of death.

We wanted to provide a platform so that the experiences of individual older Londoners living through this reality were not lost in the welter of stark statistics. So in June 2020 we engaged with older people's BAME organisations to offer them a space to share their experiences of lockdown, working with these organisations to publish a report, based on their reflections. Here are some of the reflections shared with us:

"Many families are in shock and need counselling as they have had family members dying over 2 or 3 days."

"We need support for the supporters who are burnt out."

"London needs a day of mourning, and that is just the start. People need to be allowed to tell their stories."

This report not only raised awareness of the experiences and challenges faced by these groups during the initial wave of the pandemic, but also informed how we engage with decision makers as the pandemic and its aftermath develops.

Our core campaigns

Core campaigns form the largest part of Age UK London's work and are the main way in which we secure positive change to benefit older Londoners. As part of our ongoing strategy, we identified priority issues for campaigns where London-specific change was both needed and achievable: affordable transport and increasing uptake of the flu vaccine, and we continued and adapted our age-friendly renting campaign from 2019-20.

Affordable transport

Affordable travel can transform lives and is essential to the quality of life of thousands of older Londoners. In May 2020 it was announced that older Londoners would not be able to use their travel concessions during peak hours.

"Throughout the lockdown I had been working as a Night Recovery Worker in a Mental Health unit..... hailed and applauded, a 'brave keyworker..'...I had never thought of myself as a 'front line hero', but it felt like a cynical kick in the teeth to lose my concession..." Peter, an over 60s keyworker who lost his concession to commute home after his night shift.

"Remove travel concessions and you remove a lifeline." Deborah, who uses her 60+ Oyster card to commute to work and visit friends

Age UK London responded immediately to this announcement and launched a full, reactive campaign in June calling for an end to the suspension of older Londoners using their travel concessions before 9am on weekdays, and a commitment to protect the older Londoners' travel concessions, including the 60+ Oyster photocard and the Older Persons' Freedom Pass.

As part of the campaign we engaged key targets through supporter activity, partnership working, letters and relationship building, and worked with a broad range of stakeholders on activities including press releases, letters to campaign targets and intelligence gathering. Many London Age

UKs joined with us in calling on the Secretary of State for Transport and the Mayor to protect older Londoners' travel concessions. We worked with longstanding partners such as Positive Ageing in London and Transport for All as well as new partners including the Child Poverty Action Group, with whom we coordinated joint statements in light of cuts to older and younger people's travel concessions.

In October, Age UK London mobilised over 45,000 supporters over an eight-day period to email the Transport Secretary urging him not to cut the 60+ Oyster card as part of the negotiation of a new funding deal with Transport for London. Shortly afterwards it was announced that older Londoners travel concessions would be protected until April 2021 and that the Freedom Pass was safe in the long-term. There are indications that the 60+ Oyster card will also be protected in the long-term and the Mayor of London has re-stated his support for it.

While the suspension of concessions before 9am on weekdays has remained, we continue to campaign to the reinstatement of these rights.

Increasing uptake of the flu vaccine

London has the lowest levels of flu vaccine take-up in England and well below WHO recommendations. Flu can lead to serious complications and hospitalisation for older people. Research from Public Health England suggested the risk of death more than doubled for people who tested positive for both flu and Covid-19, compared to those with Covid-19 alone. This year, more than ever, our campaign to promote the flu vaccine was essential.

"I have been shielding for the past 6 months but thought it was important to come out for the flu jab. I have been encouraging my friends and pretty much everyone I speak to go and get it through their GP or at the pharmacy." Arvind, a supporter of the campaign

Our objective was to increase flu vaccine promotion and take up, particularly amongst BAME communities, those with long term conditions and with a particular focus on north-west London where take-up is lowest; and to develop a model of local, joined-up flu vaccine promotion across NHS, voluntary and community organisations, which we can subsequently promote across London.

Our campaign leaflets, posters and 'flu fighter' toolkits supported the promotion of the flu vaccine to older Londoners by 116 local groups in London and the leaflets and posters were adopted by the NHS clinical commissioning groups in Brent, Central London, Hammersmith and Fulham and Bromley as an effective way to engage with older Londoners. Our Facebook campaign encouraging older Londoners to get the vaccine was seen by 145,000 people. We also focused on using solutions that were specifically tailored to engage harder to reach communities, working with local groups (such as Nubian Life) and community leaders (such as church leaders and local imams) to spread public health messages so that older Londoners could hear them from people who they genuinely trust, and so are more likely to act on them.

We now have a model of good practice setting out how NHS partners, the local voluntary sector and community groups and leaders can work together to increase vaccine uptake; and we were really pleased to see that flu vaccine rates in Hammersmith and Fulham and Kensington and Chelsea increased this year.

Age-friendly renting

There are around 146,000 households in London's private rented sector with at least one person over the age of 50. The private rented sector has the worst conditions of any housing tenure and older private renters, compared to social tenants or owner occupiers, are three times more likely to live in a property in a state of serious disrepair. Originally this campaign aimed to increase the number of landlords aware of the needs/benefits of older tenants and to press for selective licensing schemes to be implemented in all London Boroughs. The pandemic required a change in this approach when the government released guidance advising local authorities to pause all additional and selective licensing schemes not yet in force. With the support of the campaign funder, Mercer, we refocussed the campaign to support older private renters during the pandemic.

"I heard nothing from my private landlord." A respondent to our survey of older private tenants about the support they received during lockdown

We successfully built a cohort of age-friendly renting campaign supporters including: older renters, organisations supporting older Londoners, local authorities and key policy makers. We provided information to the major landlord bodies on how to support older tenants during the pandemic. Bodies representing landlords and agents are sometimes perceived as wary of campaigns to improve conditions for renters but despite this, we have built strong and trusted relationships with these bodies providing a trusted relationship through which we will seek to promote influence landlord actions to support older renters.

"Age UK London provide a handy guide for landlords. Only takes a minute to read but could make a world of difference [to older private tenants]." British Property Federation

Shaping the agenda

As well as delivering core campaigns focused on specific issues, our work to make London an age-friendly city also requires broader influencing work through which we ensure that the views and experiences of older Londoners are listened to by policy-makers, and that the perspective of older Londoners forms part of the public debate on the future of London.

Our work within this strand of our activities was primarily focused on two areas: influencing the London Recovery Board; and ensuring that the experiences, needs and contributions of older Londoners form part of the debate during the 2021 London Mayoral elections. In addition, we also supported research by UCL to better understand older Londoners' experience of the COVID-19 pandemic. The interviews were attended by representatives of community groups who supported the respondents throughout this time. The findings of this research echoed what we were hearing from the local London Age UKs: that the most pressing issues facing older Londoners at this time were social isolation and loneliness, digital exclusion and access to food.

Influencing the London Recovery Board

The London that emerges from the pandemic will be greatly shaped by the work of the London Recovery Board, a body jointly chaired by the Mayor of London and the leader of London Councils. In response to a call from the London Recovery Board to charities and community groups to host 'community conversations' to feedback on proposed ambitions for the capital's recovery, Age UK London mobilised discussion groups and surveys to gather views from older Londoners. This included

one-to-one phone conversations to ensure that Londoners who do not use the internet could also participate. We gathered over 150 contributions from older Londoners to inform those making decisions about recovering from the pandemic.

2021 London Mayoral and Assembly elections

The Mayor of London and members of the London Assembly have specific powers that can have a huge impact on how age-friendly London is as a city, and on the quality of life of older Londoners. It was important therefore that the views and needs of older Londoners were heard by the candidates in the London elections that took place in May 2021, which were postponed from the previous year. Age UK London worked with the London Age UKs to develop a manifesto setting out the policies we wanted to see the new mayor adopt and produced a video in which older Londoners shared their views on the future of the city. These included:

"My plea to the new mayor is that our public spaces are welcoming, safe and accessible."

"Ensure that older people are not left behind."

"Sadly there's been a resurgence of the view that older people's lives are worth less than those of younger people."

We held an online hustings attended by over 150 people, at which older Londoners were able to pose questions directly to mayoral candidates, and shared blogs and responses from candidates to further questions on our website. After the election we will engage with all Assembly Members to brief them on the steps we hope will be taken to see London become more age-friendly.

Older People's Forums

Among our key stakeholders are Older People's Forums, based in the London boroughs, who can provide the collective voice of older people in London. These voices need to be loud and strong if they are to be heard in a city where there are so many calls for the attention of policy makers and the resources of funders. We also successfully supported the Greater London Forum (the umbrella organisation for London older peoples' forums) to secure funding for a GLF Coordinator, who will assist local forums and their campaigning activity.

Supporting the London Network of Age UKs

We continued to support the London Age UKs. An age-friendly city requires both front-line service provision, as delivered by the London Age UKs, and changes by London decision-making bodies to improve the lives of older people living in the city, as campaigned for by Age UK London. We are grateful to be able to use the insight that local Age UKs in London gain through their service provision into systemic problems experienced by older people to inform our campaigns.

The support Age UK London delivers to the network includes: bringing the London CEOs together to enable information sharing and collaboration; sharing information and intelligence about developments in London, including acting as a "central contact" for London-wide third parties; offering support for individual local Age UKs on local campaigning; and providing a platform so the issues faced by local Age UKs and their clients are understood by London decision makers.

In response to the challenges posed to London Age UKs by the COVID-19 pandemic, we decided to make funding available from the Special Reserve in the form of grants to underpin the resilience of London Age UKs to continue to provide essential services to older Londoners. A first tranche of four grants totalling £175,617 were awarded in October 2020 with a second tranche of three in March 2021 totalling a £127,699. The funding for these grants will be distributed in stages and is subject to the projects meeting their stated milestones. For the year ended March 2021 £151,659 was paid in relation to these grants.

These grants covered a wide range of initiatives which will deliver significant benefits to older Londoners. For example, the pandemic highlighted the potential benefits of greater use of online channels for health and wellbeing services, so we supported a project in north east London to develop this model further. But for many older Londoners, in person contact remains vital and so another project is focussed on supporting the creation of a fit-for-purpose community hall in South London intended to serve the needs of a very diverse group of older Londoners. Care services (both at a care centre and in individual homes) are a vital part of supporting older people in our community and we were therefore very pleased to be able to support a project in North London looking at how these services can be adapted to the changing needs of older people post pandemic.

We also continued to distribute grants to London Age UKs from the proceeds of the Age UK Lotteries.

Other key activity during the financial year

Having closed the businesses of its two trading subsidiaries, Trading and Retail, in 2019-20, both of these entities remained dormant throughout 2020-21.

Towards the end of 2019-20 the board recruited Abigail Wood as our new Chief Executive and Abigail started with us in April 2020. The Board's thanks go to Kathleen Egan, our Business Development and Operations Manager, who headed up the organisation from January to April 2020.

Activities of Age UK City of London

Age UK City of London is a charity whose sole member is Age UK London and it shares a number of common trustees. Full details of its activities can be found in its Report and Accounts. Age UK City of London is the charity for older people who live, work, study or volunteer in the Square Mile. The focus of the charity is on supporting wellbeing and building social connections so that people can enjoy growing older within the Square Mile.

During the past year, Age UK City of London provided vital crisis support throughout the pandemic to older people living in the Square Mile, including supporting the establishment of a temporary food bank, the Square Mile Food Bank, to meet immediate food needs; activities and social support via Zoom sessions; and telephone befriending services. Where it was possible to do so safely within social distancing guidelines, Age UK City of London continued to deliver including Square Mile Health Walks and socially-distanced meetings of the Mansell Street Women's Group, which supports Bangladeshi women, and social-support drop-in sessions.

Age UK City of London works co-productively with older people and volunteers and enjoys close collaboration with a number of City companies who bring value through corporate volunteering, fundraising and by supporting our work in other ways. It works closely with a range of partners including the Corporation of London, Ramblers Walking for Health, Golden Lane Community Centre, Barbican and Community Libraries, and local older people's and community groups.

Financial review

Income

Total income for the charity was £463,680. The significant components of this income were donations and legacies of £133,844 and grant income from charitable activities of £289,284. Grant income from charitable activities increased by over 100% (from £141,825 to £289,285) attributable to the additional TAM grant funding of £121,967; an increase in grant funding for restricted projects of £17,395 (from £24,177 to £41,572) and an increase in contract funding of £8,098 from £24,150 to £32,248.

It should be noted that the majority of the charitable income had been secured before the full impact of the pandemic was known. Since then a significant number of funders have converted many of their grants to crisis support to meet the sudden needs that arose as a result of the pandemic, and demand for funds greatly increased.

Expenditure

Total expenditure on charitable activities was £869,747 (2020: £631,133) including £184,049 (2020: £84,148) committed as grants to London Age UKs, funded by a grant received from Age UK, and £151,659 (2020: nil) as grants from the Special Reserve Fund. Expenditure on raising funds totalled £57,918 (2020: £46,131). Excluding these grants and expenditure on raising funds, charitable activity expenditure was £476,121. (2020: £500,853). The main expenditure in the charity was employment costs of £371,835 (2020: £331,621). Careful control of administrative costs was maintained.

Investments

The Trustees have adopted a balanced portfolio approach to investments, with a spread of safe and riskier (equity) investments. Age UK London has continued to review its portfolio of bank and investment assets in order to safeguard our finances as far as possible.

Our resources which could be required within two to three years are held either in cash with Arbuthnot Latham (the Charity's principal bankers) or invested with investment managers, Sarasin and Partners. These resources will enable Age UK London to fund forthcoming development initiatives, activities and smooth out flows of cash receipts from grants, legacy and other income.

The Trustees consider that our investment objectives of safeguarding its assets and maintaining an appropriate amount of liquidity to meet short term needs have been met during the financial year. The Trustees consider the performance of the investments during the year satisfactory, bearing in mind market conditions. Despite the uncertainty of the past year, our investments performed well with a net gain of £183,606 (2020: loss £40,075).

Principal risks and uncertainties

The Board of Trustees, supported by the Audit, Finance and Risk Committee, systematically reviews risks faced by Age UK London using a RAG rated risk register, remaining vigilant in view of the continuing uncertain economic environment, competition for funding, and the continued development of Age UK London's activities.

The year covered by this report and accounts has been one of great uncertainty as a result of the COVID-19 pandemic and the resulting lockdown measures. Age UK London successfully implemented contingency planning arrangements that enabled it to continue functioning well and continue delivering its charitable objectives throughout. The long-term impact of COVID-19 on the UK as a whole, the charity sector and specifically on Age UK London, is yet to be seen. However, through appropriate consideration of risks as part of its normal risk management processes, the Trustees consider it appropriate for the going concern basis to be adopted for these accounts.

In addition to the inherent uncertainty created by COVID-19, the key risks to the Charity are:

- Failure to achieve a sustainable funding stream;
- Failure of our campaign work to achieve sustainable change;
- Failure to retain key staff
- Damage to the reputation of the Age UK brand that impacts our work.

The Trustees have implemented the following steps to mitigate these risks:

- Sustainable funding: the Board have agreed an approach to income generation based primarily on grants and foundations supported by a smaller element of corporate fundraising. The potential and actual income from grants and foundations, legacy and unrestricted sources are regularly reviewed against budget and against financial KPIs and necessary adjustments made. The Trustees periodically assess costs to ensure Age UK London remains efficient and cost-effective. The Trustees receive regular updates on investment performance and members of the Audit, Finance and Risk committee engage regularly with our investment providers.
- Effective campaigning: we recognise the importance of evidence-based campaigning and the need for effective campaign planning, budgeting, monitoring and assessment. We have put in place appropriate structures whereby the management team will report on these aspects to the Board of Trustees at least four times a year.
- Retaining key staff: we ensure there is regular supervision, appraisal and training of staff; remuneration levels are monitored by reference to our sector and location; staff are given the opportunity to contribute to the strategic direction of the organisation through regular team meetings.
- Reputational risk: sharing the Age UK brand with a number of other organisations means the Trustees are limited in their ability alone to mitigate all aspects to reputational risk. However, the Trustees ensure that Age UK London has a voice in protecting reputational risk related to the brand through its membership of the Age England Association. In addition, Age UK London has effective operational and financial policies and procedures to ensure it and Age UK City of London are properly and effectively run and these are regularly reviewed and where necessary updated.

Age UK London's two trading subsidiaries ceased to trade in 2019-20 but have not yet been wound up. The Trustees do not anticipate any material risks arising through the closure of these subsidiaries.

Reserves policy and going concern

Age UK London's net funds are allocated to specific reserves. The purpose of the reserves policy is to ensure the stability of the organisation now and in the foreseeable future. The policy is designed to enable Age UK London to retain sufficient funds to maintain current and planned activities, while providing funds to build capacity, transition to new ways of working, and take advantage of new opportunities as they arise. The reserves policy is implemented in concert with the other governance and financial policies of Age UK London, supporting our goals and strategies.

There are four separate reserves:

- **Restricted Reserve:** this contains any unspent funding provided to us from specific programmes and is ring-fenced for those purposes.
- **General Reserve:** this reserve covers six months' expenditure (apart from expenditure that is fully funded by secured restricted funds). The intention is for it to be sufficient to enable Age UK London to continue to operate for at least six months, even if funding is dramatically reduced, costs are increased, or there is an unexpected one-off cost required for any reason.
- **Designated Reserve (Strategic Reserve):** this reserve has been established over a number of years when income exceeded expenditure. It is designated for expenditure deemed appropriate to promote our planned work towards London becoming an Age-friendly city, and/or secure the future of the Charity and its activities. This can include organisational, operational and strategic development, funding for new projects or activities, and major capital or other non-recurring costs. Trustees agreed to meet the deficit for 2020-21 from this reserve and have earmarked a further £274,658 of these funds to meet the cost of planned deficits for the next three years, reflecting anticipated shortfalls in available income given the challenges in the fundraising landscape.
- **Designated Reserve (Special Reserve):** if the Charity receives substantial legacy funding and either has made a surplus or has made a deficit but the Board does not consider it appropriate to reduce all of this deficit through legacy funding, sums will be placed in a special reserve to be used on special projects. This year, in response to the challenges posed by the COVID-19 pandemic, the Board decided to make this funding available to the London Network of Age UKs in the form of grants to support work to improve their financial sustainability. In total £303,316 has been committed in grants of which £151,659 had been awarded by the end of the year and £17,728 of the fund has been allocated this year to Age UK London to cover the administrative costs of devising, implementing and monitoring the grant scheme.

The levels of reserves are reviewed regularly by the Audit Finance and Risk Committee and the reserves policy is subject to annual review. This ensures the reserves continue to meet the Charity's expectations.

The Charity's reserves levels as at 31 March 2021 were follows:

- **Restricted reserve:** £15,355
- **General reserve:** £190,820
- **Designated Reserves:** £851,584 of which £152,978 is allocated to the Special Reserve, and the balance allocated to the Strategic Reserve.

The levels of reserve at the end of the previous financial year were:

- Restricted reserve: £11,953
- General reserve; £110,903; and
- Designated Reserves; £1,157,365 of which £322,365 was allocated to the Special Reserve, and the balance allocated to the Strategic Reserve.

Fundraising

Age UK London does not actively solicit donations from individuals other than through advertising for legacies and through a “Donate” function on our website. All donations are very gratefully received.

We do not sub-contract any fundraising activities to a third party and whilst we are not registered with the Fundraising Regulator, we will be guided by the Code of Fundraising Practice in any fundraising activity. We received no complaints about our fundraising activity.

Plans for the future

Age UK London will over the next three years focus on consolidating our transition into a charity focused campaigning for changes that benefit older Londoners, so that over time London becomes a more age-friendly city.

In order to do so we will focus on the following priorities for 2021-2024:

- Building a strong track record of delivering campaigns that result in sustainable, positive change for older Londoners;
- Creating a robust evidence base assessing the progress London has made towards becoming an age-friendly city including through two-way conversations with the London Age UKs and use this evidence to determine our future campaigns;
- Supporting and motivating older Londoners to campaign for change so that our campaigns are shaped and delivered by older Londoners themselves;
- Making equality, diversity and inclusion a mainstream element of every aspect of our work, and actively considered in every campaign;
- Continuing to build a strong, effective and sustainable campaigning organisation, including developing a sustainable income stream and making our internal processes as efficient as possible.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 2 April 2002 and registered as a charity on 24 May 2002.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. Revised Articles of Association were adopted at the AGM on 25 November 2020.

All trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 9 to the accounts.

AGE UK LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees meet a minimum of four times a year. As at 31 March 2021 there were ten Trustees, responsible for the governance of the organisation, financial probity, and setting and monitoring the strategic direction of Age UK London. The Chief Executive and Finance and Corporate Services Manager support the Board and attend all or parts of board meetings as appropriate depending on the agenda.

The Board of Trustees has two committees to support it in discharging its responsibilities: the Audit, Finance and Risk Committee and the HR and Equalities Committee.

The Audit, Finance and Risk Committee meets a minimum of six times a year. There are up to four Trustees on this committee together with the Chief Executive and Finance and Corporate Services Manager. This year the HR Committee was merged with the Equalities Working Group to create a new HR and Equalities Committee. It meets a minimum of three times during the year and there are up to four Trustees on this committee. No Trustee serves on both committees. The committees are supported by the Chief Executive and other members of the senior management team, who attend as appropriate. The roles of these committees are primarily to review, challenge, monitor and report to the Trustees on those items within their remit; the committees are not primarily decision-making bodies and submit any relevant recommendations to the Board for approval.

Any Trustee can attend either of these committees as an observer. The minutes of meeting of these committees are considered by the Board as regular agenda items and the chair of each committee highlights key issues so the board is aware of matters arising from the work of that committee.

The Board also receives regular reports from the board of Age UK City of London and regularly reviews the activities of that charity in the context of Age UK London's position and the overall Age UK network.

The Charity has identified the trustees and Chief Executive as the key management personnel for the purposes of charity and company law.

The Board is responsible for deciding the remuneration of the Chief Executive; the decision on other remuneration increases is considered by the Board of Trustees as part of the budget approval process and suitable parameters established for the setting of individual pay levels.

The day to day management function of the organisation has been delegated to the Chief Executive who, supported by other members of the senior management team, ensures that the Age UK London and its subsidiaries undertake their activities effectively, in line with the strategic direction and financial, governance and other controls approved by the Trustees.

The Charity is also compliant with the national Age UK Charity Quality Standard (a quality mark which enables an organisation to be part of the Age UK network).

Appointment of trustees

The Board undertakes a regular skills audit and, in the light of the results targets recruitment activity to ensure that there is an appropriate mix of skills and experience to support the activities of Age UK London.

In order to provide the best range of expertise to support the needs of older Londoners, the Board aims to have a balance of Trustees actively involved in the management of London Age UKs and Trustees from outside the network. New trustees can be co-opted to the Board during the course of the year and appointments made at the annual general meetings. Appointments are generally for a period of three years and individuals can stand for re-election.

New trustees are provided with a detailed induction pack and an induction programme involving meeting with key members of staff to gain an understanding of the organisation and the external environment in which it operates. Trustees are encouraged to undertake training to support them to perform their role.

Statement of responsibilities of the trustees

The Trustees, (who are also directors of Age UK London for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless satisfied that they give a true and fair view of the state of the charity's affairs and the charity's net movement in funds, including the income and expenditure for that period.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of Age UK London and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Age UK London and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AGE UK LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

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

- They have taken reasonable steps to make themselves aware of any information needed by the Charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information.
- The Trustees are not aware of any relevant audit information of which the auditors are unaware.

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

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 28 July 2021 and signed on their behalf by:

Imogen Clark
Chair of Trustees

Opinion

We have audited the financial statements of Age UK London (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report,

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AGE UK LONDON**

we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to

liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
AGE UK LONDON**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Joanna Pittman (Senior statutory auditor)
11 August 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

AGE UK LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and legacies	2	133,844	-	-	133,844	160,059
Charitable activities:	3					
<i>Core campaigning</i>		21,777	-	19,795	41,572	24,177
<i>Shaping the agenda</i>		32,248	-	-	32,248	24,150
<i>Supporting the network</i>		215,464	-	-	215,464	93,498
Investments	4	433	-	-	433	29,942
Other	5	40,119	-	-	40,119	94,002
Total income		443,885	-	19,795	463,680	425,828
Expenditure on:						
Raising funds	6	57,918	-	-	57,918	46,131
Charitable activities:	6					
<i>Core Campaigning</i>		154,271	-	17,309	171,580	194,383
<i>Shaping the agenda</i>		164,960	-	1,337	166,297	248,599
<i>Supporting the network</i>		304,565	169,387	-	473,952	112,012
<i>Direct delivery</i>		-	-	-	-	30,007
Total expenditure		681,714	169,387	18,646	869,747	631,133
Net income/(expenditure) before net gains/(losses) on investments		(237,829)	(169,387)	1,149	(406,067)	(205,304)
Net gains/(losses) on investments	14	-	183,606	-	183,606	(40,075)
Net income/(expenditure)		(237,829)	14,219	1,149	(222,461)	(245,380)
Transfer between funds		317,747	(320,000)	2,253	-	-
Net movement in funds		79,918	(305,781)	3,402	(222,461)	(245,379)
Reconciliation of funds						
Total funds brought forward	19	110,903	1,157,365	11,953	1,280,221	1,525,600
Total funds carried forward	19	190,821	851,584	15,355	1,057,760	1,280,221

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The comparative Statement of Financial Activities is shown in note 23.

AGE UK LONDON
BALANCE SHEET
AS AT 31 MARCH 2021

Company number: 04407861

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Fixed assets						
Tangible assets	13	936	-	-	936	4,079
Investments	14	-	705,185	-	705,185	771,579
		<u>936</u>	<u>705,185</u>	<u>-</u>	<u>706,121</u>	<u>775,658</u>
Current assets						
Debtors	15	179,556	-	7,312	186,868	148,078
Cash at bank		258,166	230,249	8,043	496,458	491,704
		<u>437,722</u>	<u>230,249</u>	<u>15,355</u>	<u>683,326</u>	<u>639,782</u>
Current liabilities						
Creditors: amounts falling due within one year	16	(247,837)	(83,850)	-	(331,687)	(135,219)
Net current assets		<u>189,885</u>	<u>146,399</u>	<u>15,355</u>	<u>351,639</u>	<u>504,563</u>
Net assets		<u>190,821</u>	<u>851,584</u>	<u>15,355</u>	<u>1,057,760</u>	<u>1,280,221</u>
Represented by:						
Restricted funds	19	-	-	15,355	15,355	11,953
Designated funds	19	-	851,584	-	851,584	1,157,365
General reserve	19	190,821	-	-	190,821	110,903
Net funds		<u>190,821</u>	<u>851,584</u>	<u>15,355</u>	<u>1,057,760</u>	<u>1,280,221</u>

The financial statements were approved and authorised for issue by the trustees on 28 July 2021 and were signed below on its behalf by

Imogen Clark
Chair of the Trustees

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

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) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

As Group income is below £1m Age UK London has opted not to produce consolidated accounts for 2020-21. As a smaller charity, a statement of cash flows is not prepared.

Legal status

Age UK London is a company limited by guarantee registered in England and Wales and has no shares. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity's registered address is 5th Floor, One New Change, London, EC4M 9AF. Its registered company number is 04407861 and its charity number is 1092198.

Preparation of the accounts on a going concern basis

The Trustees are satisfied that the charity is a going concern, and that these accounts should be prepared on that basis.

Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably and that any associated conditions have been met. Recognition of income is deferred where conditions specify that such income relates to future accounting periods.

Where donors specify that funds are for specific purposes such income is included in incoming resources of restricted funds.

Donations and legacies are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Grants receivable are credited to income for the period for which the charity becomes entitled to the income. Grants received that have restrictions on entitlement relating to services that

have not yet been delivered are treated as deferred income at the balance sheet date. Grants received without any restriction on entitlement are recognised in full upon award.

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods and services are provided.

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable, committed at the year-end for which there are no conditions attached, are accrued as a liability.

“Raising funds” includes the costs of advertising for charity legacy appeals, participating in community fundraising and developing major donor relationships.

“Charitable activities” comprises the direct costs, staff costs and apportioned overheads of carrying out the Charity’s objectives through the following activities:

- Core Campaigning
- Shaping the Agenda
- Network Focus

The Charity incurs support costs to enable its charitable and fundraising activities as described above. These support costs include the costs of general management (including finance, IT and HR), governance and premises functions, which are allocated to the Charity’s activities on the basis of staff time spent on each activity. Governance costs include the costs of compliance with constitutional and statutory requirements, external audit, and the cost of legal advice for the Trustees, as well as staff time spent on governance matters. Governance and support costs are allocated to the Charity’s activities on the basis of staff time spent on each activity.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred on a straight-line basis over the period to the next rent review.

Employee benefits

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme

Age UK London operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of Age UK London in

an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year.

Funds

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. These are divided between strategic reserves, which the trustees have specified will be used for specific strategic purposes, and special reserves which the trustees have specified will be used for charitable purposes after discussion with the local Age UKs.

Restricted funds are those funds which are to be used in accordance with specific instructions imposed by the donor or trust deed.

Fixed assets and depreciation

All assets costing more than £1,000 are capitalised at cost.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

IT equipment – over 3 years

Office equipment - over 3 to 6 years

Investments

Investments are a form of basic financial instruments and initially shown in the financial statements at market value.

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Financial instruments

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

Debtors

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

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 account.

Creditors and provisions

Creditors and provisions are recognised where the charity 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 amount after allowing for any trade discounts due.

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

1. Income from donations and legacies

	2021	2020
	£	£
Donations	78,430	7,181
Legacies	55,414	152,878
Total	133,844	160,059

All income from donations and legacies is unrestricted.

Since the year end the charity has been notified of two material residual legacies that it was unable to measure reliably at the time. The charity has subsequently been informed that it is due £346,501 from these legacies.

2. Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Age UK	17,777		17,777	-	-	-
Catalyst Trust	4,000		4,000	-	-	-
Mercers	-	15,010	15,010	-	13,452	13,452
Sport England	-	4,785	4,785	-	-	-
Holobalance	-	-	-	-	10,725	10,725
Sub-total for Core campaigns	21,777	19,795	41,572	-	24,177	24,177
Greater London Forum	21,464	-	21,464	-	-	-
University College London	5,000	-	5,000	-	-	-
King's College London	5,284	-	5,284	-	-	-
Greater London Authority	500	-	500	-	-	-
Age Allies	-	-	-	-	24,150	24,150
Sub-total for Shaping the agenda	32,248	-	32,248	-	24,150	24,150
Age UK	215,464	-	215,464	93,498	-	93,498
Sub-total for Supporting the network	215,464	-	215,464	93,498	-	93,498
Total income from charitable activities	269,489	19,975	289,284	93,498	48,327	141,825

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

3. Income from investments

	2021	2020
	£	£
Bank interest receivable	433	357
Loan interest receivable	-	2,112
Dividends from investment portfolio	-	27,473
Total	433	29,942

Dividend and interest income earned within the Charity's investment portfolio accumulates into the capital value of the funds.

4. Other income

Other income of £40,119 includes the brand agreement payment from Age UK of £15,000 (2020: £15,000); £24,986 (2020: £30,941) from recharges of accommodation, management and overheads to its subsidiaries and a small refund of £133. The prior year figure also includes £48,061 in relation to income generating activities that ceased in 2020.

6a. Analysis of expenditure (current year)

	Raising funds £	Core campaigns £	Shaping the agenda £	Supporting the network £	Direct delivery £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs	20,232	59,435	58,765	46,945	-	14,715	171,743	371,835	331,621
Direct costs	900	4,084	688	5,946	-	17,060		28,678	90,231
Grants awarded	-	-	-	335,708	-	-	-	335,708	84,148
Premises	-	-	-	-	-	-	80,292	80,292	63,655
IT infrastructure	-	-	-	-	-	-	16,570	16,570	15,620
Gen Management	-	-	-	-	-	-	36,664	36,664	45,858
	21,132	63,519	59,453	388,599	-	31,775	305,269	869,747	631,133
Support costs	33,318	97,874	96,771	77,306	-	-	(305,269)	-	-
Governance costs	3,468	10,187	10,073	8,047	-	(31,775)	-	-	-
Total expenditure 2021	57,918	171,580	166,297	473,952	-	-	-	869,747	-
Total expenditure 2020	46,131	194,383	248,599	112,013	30,007	-	-	-	631,133

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

6b. Analysis of expenditure (prior year)

	Raising funds £	Core campaigns £	Shaping the agenda £	Supporting the network £	Direct delivery £	Governance costs £	Support costs £	2020 Total £
Staff costs	8,532	84,817	107,716	9,965	18,948	28,224	73,419	331,621
Direct costs	22,762	20,542	9,820	5,536	11,059	20,512	-	90,231
Grants awarded	-	-	-	84,148	-	-	-	84,148
Premises	-	-	-	-	-	-	63,655	63,655
IT infrastructure	-	-	-	-	-	-	15,620	15,620
Gen Management	-	-	-	-	-	-	45,858	45,858
	31,294	105,359	117,536	99,649	30,007	48,736	198,552	631,133
Support costs	11,913	71,479	105,233	9,928	-	-	(198,552)	-
Governance costs	2,294	17,545	25,830	2,437	-	(48,736)	-	-
Total expenditure 2020	46,131	194,383	248,599	112,013	30,007	-	-	631,133

7a. Grant making (current year)

	Grants to Age UK Network £	2021 £	2020 £
Age UK TAM	99,898	99,898	-
Age UK Lottery Grants	84,151	84,151	84,148
Special Reserve Fund	151,659	151,659	-
	335,708	335,708	84,148

7b. Grant making (prior year)

	Grants to Age UK Network £	2020 £
Age UK Lottery Grants	84,148	84,148
	84,148	84,148

8. Net income / (expenditure) for the year

	2021	2020
	£	£
This is stated after charging:		
Operating lease rentals – land and buildings	33,137	40,891
– equipment	5,640	5,307
Operating lease termination fees	19,083	-
Depreciation	3,143	7,300
Auditors remuneration (excluding VAT):		
- audit services	9,490	10,790

Figure for audit services is made up of £7,500 for 2020-21 and £1,990 being the balance relating to the prior year.

9. Analysis of staff costs, trustee remuneration and cost of key management personnel

	2021	2020
	£	£
Staff costs were as follows:		
Salaries and wages	318,227	293,269
Redundancy and termination costs	17,801	-
Social security costs	23,471	25,224
Employer's contribution to defined contribution pension scheme	12,336	13,128
	371,835	331,621

Salaries and wages includes £42,043 (2020:£12,140) for agency staff.

The redundancy and termination costs were paid at the balance sheet date.

No employee earned more than £60,000 during the year (2020: 1 within £60,000-£69,999).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £68,631 (2020: £55,000, the CEO post being covered by a member of the key management team for part of the year).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No trustee received reimbursement for expenses incurred in carrying out their duties (2020: £218).

10. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 8 (2020: 9). The full time equivalent during the year was 7 (2020: 8).

11. Related party transactions

The wholly owned trading subsidiaries, Age Concern London Retail Company Limited (company number 08099352) and Age Concern London Trading Limited (company number 06446184), did not trade during the year. Age Concern London Trading Limited incurred a charge of £16,569 from Age UK London for its share of accommodation costs and Age UK London Retail incurred a charge of £286 for management time spent on resolving outstanding queries.

The charitable subsidiary, Age UK City of London Limited (company number 07279153, charity number 1158981) received total income of £75,781 (2020: £32,501) during the year ended 31 March 2021 and spent £71,741 (2020: £37,503) on its charitable activities, giving a net surplus of £4,040 (2020: deficit of £5,002). At 31 March 2021 net assets were £24,565 (2020: £20,525).

In 2021 Age UK London charged Age UK City of London £24,425 (2020: £27,529) of pay costs, £4,675 (2020: £nil) overheads and £3,456 (2020: £nil) of general management time. As at 31 March 2021 there is a debtor balance of £41,686 (2020: £8,528).

12. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

13. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At the start of the year	3,978	20,499	24,477
Additions in year	-	-	-
Disposals in year	-	-	-
At the end of the year	3,978	20,499	24,477
Depreciation			
At the start of the year	2,574	17,824	20,398
Charge for the year	468	2,675	3,143
Eliminated on disposal	-	-	-
At the end of the year	3,042	20,499	23,541
Net Book Value			
At the end of the year	936	-	936
At the start of the year	1,404	2,675	4,079

All of the above assets are used for charitable purposes.

14. Investments

	2021 £	2020 £
Fair value at the start of the year	771,579	822,615
Additions at cost	-	27,473
Disposal proceeds	(250,000)	(38,447)
Net gain / (loss) on the change in fair value	183,606	(40,075)
	705,185	771,566
Cash held in investment portfolios	-	13
Fair value at the end of the year	705,185	771,579

Investments are Sarasin Alpha Fund accumulation units.

Charity holds £1 share allotted and fully paid for in Age UK London Trading Limited and £1 share allotted and fully paid in Age UK London Retail Company Limited.

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15. Debtors

	2021	2020
	£	£
Trade debtors	2,938	6,814
Other debtors	2,140	1,774
Amounts due from subsidiaries	121,870	77,930
Prepayments	1,410	3,123
Accrued income	58,510	58,437
	186,868	148,078

16. Creditors

	2021	2020
	£	£
Trade creditors	2,575	4,275
Taxation and social security	3,201	6,343
Grants payable	267,899	84,150
Other creditors	9,105	9,105
Accruals	41,221	16,336
Deferred income (note 16)	7,686	15,010
	331,687	135,219

17. Deferred income

Deferred income relates to income received during the year for services that have not yet been provided, and will be released to the statement of financial activities in 2021-22.

	2021	2020
	£	£
Balance at the beginning of the year	15,010	27,724
Amount released to income in the year	(15,010)	(27,724)
Amount deferred in the year	7,686	15,010
Balance as at 31 March 2021	7,686	15,010

18. Pension scheme

The Charity operates a defined contribution scheme with Scottish Widows (previously Zurich before Scottish Widows acquired the Zurich Corporate Pensions Company schemes). The cost of the employer's contributions into the defined contribution scheme for the year was £12,222 (2020: £13,128). No employees (2020: nil) received contributions to their private pension schemes.

AGE UK LONDON
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19a. Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Age Allies (City Bridge Trust)	5,960	-	-	-	5,960
Holobalance	5,993	-	(1,337)	-	4,656
Mercers	-	15,010	(10,271)	-	4,739
Sport England	-	4,785	(7,038)	2,253	-
Total restricted funds	11,953	19,795	(18,646)	2,253	15,355
Unrestricted funds:					
Designated funds					
Strategic reserve	835,000	183,606	-	(320,000)	698,606
Special reserve	322,365	-	(169,387)	-	152,978
Total designated funds	1,157,365	183,606	(169,387)	(320,000)	851,584
General fund	110,903	443,885	(681,714)	317,747	190,821
Total unrestricted funds	1,268,268	627,491	(851,101)	(2,253)	1,042,405
Total funds	1,280,221	647,286	(869,747)	-	1,057,760

- a. The restricted reserve contains unspent funding provided to us from specific programmes and is ring fenced for these purposes:
- The Age Allies restricted fund is for age friendly work that will be recommenced in 2021/22.
 - The Holobalance project was paused during 2020/21 due to the pandemic. This EU funded project will recommence in 2021/22, continuing the work on developing a personalised digital platform to help older people at risk of falling.
 - The Mercers restricted fund is to support age friendly renting.
 - The Sport England fund was used for a programme of work encouraging older people to go for park walks in green spaces and then, during the pandemic, to remain active indoors.
- b. The general reserve covers six months' expenditure (£191,000), apart from expenditure that is fully funded by secured restricted funds). The intention is for it to be sufficient to enable Age UK London to continue to operate for at least six months, even if funding is dramatically reduced, costs are increased, or there is an unexpected one-off cost required for any reason.
- c. The designated reserve (strategic reserve) is for expenditure deemed appropriate to promote our planned work towards London becoming an Age-friendly city, and/or secure the future of the Charity and its activities. This can include organisational, operational and strategic development, funding for new projects or activities, and major capital or other non-recurring costs.
- d. The designated reserve (special reserve): if the Charity receives substantial legacy funding and, either has made a surplus or has made a deficit but the Board does not consider it

AGE UK LONDON
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FOR THE YEAR ENDED 31 MARCH 2021

appropriate to reduce all of this deficit through legacy funding, sums will be placed in a special reserve to be used on special projects.

- e. The transfer of £6,681 from the general reserve to the restricted reserve is to cover expenditure in excess of the restricted income.
- f. The transfer of £320,000 from the strategic reserve to the general reserve relates to amounts approved by the Board to ensure that the general reserve remained in accordance with the reserve policy.

The funds are described in more detail on pages 15 to 16.

19b. Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Age Allies (City Bridge Trust)	6,902	24,150	(25,092)	-	5,960
Holobalance	1,976	13,452	(9,435)	-	5,993
Mercers	-	10,725	(10,725)	-	-
Total restricted funds	8,878	48,327	(45,252)	-	11,953
Unrestricted funds:					
Designated funds					
Strategic reserve	835,000	-	-	-	835,000
Special reserve	330,000	-	-	(7,635)	322,365
Total designated funds	1,165,000	-	-	(7,635)	1,157,365
General fund	351,722	377,501	(625,955)	7,635	110,903
Total unrestricted funds	1,516,722	377,501	(625,955)	-	1,268,268
Total funds	1,525,600	425,828	(571,207)	-	1,280,221

20. Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	2021 £	2020 £
Less than one year	-	41,240
One to five years	-	81,893
	-	123,133

See note 7 for operating lease payments recognised as an expense in the year.

All operating leases were terminated during the year. Operating lease termination costs of £19,083 were incurred in the year.

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21. Grants to London Age UK Boroughs

During the year Age UK London committed £303,316 from its special reserve fund as restricted grants to the Age UK Network. The grants are paid in instalments and the total amount awarded during the year was £151,659. There were no such grants in the prior year.

	Special Reserve Grant
	£
Age UK Redbridge	24,984
Age UK Kensington and Chelsea	25,000
Age UK Enfield	17,825
Age UK Sutton	20,000
Age UK Croydon	24,800
Age UK Bexley	16,226
Age UK Waltham Forest	22,824
Total	151,659

In addition, Age UK London distributed £184,048 of unrestricted grants to the Age UK Network.

	Age UK Lottery	Age UK TAM	Total 2021	Total 2020
			£	£
Barnet	4,111	4,880	8,991	4,111
Bexley	4,093	4,859	8,952	4,093
Brent, Harrow & Hillingdon	9,209	10,933	20,142	9,209
Bromley & Greenwich	9,204	10,927	20,131	9,204
Camden	969	1,150	2,119	969
Croydon	6,301	7,480	13,781	6,301
Ealing	2,521	2,993	5,514	2,521
East London	2,841	3,373	6,214	2,841
Enfield	4,774	5,668	10,442	4,774
Hammersmith & Fulham	1,115	1,324	2,439	1,115
Hounslow	2,255	2,677	4,932	2,255
Islington	1,062	1,261	2,323	1,062
Kensington & Chelsea	614	729	1,343	614
Lambeth	2,635	3,128	5,763	2,635
Lewisham & Southwark	4,057	4,816	8,873	4,057
Merton	2,962	3,516	6,478	2,962
Redbridge, Barking, Dagenham & Havering	12,114	14,381	26,495	12,114
Richmond upon Thames	4,530	5,378	9,908	4,530
Sutton	3,477	4,128	7,605	3,477

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Waltham Forest	2,581	3,064	5,645	2,581
Wandsworth	2,031	2,411	4,442	2,031
Westminster	694	822	1,516	692
TOTAL	84,150	99,898	184,048	84,148

All prior year grants relate to Age UK Lottery grants.

22. Prior year Statement of Financial Activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:					
Donations and legacies	160,059	-	-	160,059	652,903
Gift from trading subsidiary	-	-	-	-	137,298
Investment income	29,942	-	-	29,942	2,178
Charitable activities			48,327		156,325
Grant from Age UK	93,498	-	-	93,498	-
Other income	94,002	-	-	94,002	130,932
Total income	377,501	-	48,327	425,828	1,079,636
Expenditure on:					
Raising funds	46,131	-	-	46,131	52,245
Charitable activities:					
Core Campaigning	174,223	-	20,160	194,383	147,459
Shaping the Agenda	223,507	-	25,092	248,599	417,459
Network Focus	112,012	-	-	112,012	182,379
Direct delivery	30,007	-	-	30,007	-
Total charitable activities	539,749	-	45,252	585,001	747,321
Total expenditure	585,880	-	45,252	631,132	799,566
Net income/(expenditure) before net gains/(losses) on investments	(208,379)	-	3,075	(205,304)	280,070
Net gains/(losses) on investments	(40,075)	-	-	(40,075)	55,836
Net income/(expenditure)	(248,454)	-	3,075	(245,379)	335,906
Transfer between funds	7,635	(7,635)	-	-	-
Net movement in funds	(240,819)	(7,635)	3,075	(245,379)	335,906
Funds brought forward at 1 April 2019	351,722	1,165,000	8,878	1,525,600	1,189,694
Funds carried forward at 31 March 2020	110,903	1,157,365	11,953	1,280,221	1,525,600

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23. Prior year Balance Sheet

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Fixed assets				
Tangible assets	4,079	-	-	4,079
Investments	-	771,579	-	771,579
	<u>4,079</u>	<u>771,579</u>	<u>-</u>	<u>775,658</u>
Current assets				
Debtors	148,078	-	-	148,078
Cash at bank	93,965	385,786	11,953	491,704
	<u>242,043</u>	<u>385,786</u>	<u>11,953</u>	<u>639,782</u>
Current liabilities				
Creditors: amounts falling due within one year	135,219	-	-	135,219
Net current assets	<u>106,824</u>	<u>385,786</u>	<u>11,953</u>	<u>504,563</u>
Total assets less current liabilities	110,903	1,157,365	11,953	1,280,221
Net assets	110,903	1,157,365	11,953	1,280,221
Represented by:				
Restricted funds	-	-	11,953	11,953
Designated funds	-	1,157,365	-	1,157,365
General reserve	110,903	-	-	110,903
Net funds	<u>110,903</u>	<u>1,157,365</u>	<u>11,953</u>	<u>1,280,221</u>