

REGISTERED COMPANY NUMBER: 05688674 (England and Wales)
REGISTERED CHARITY NUMBER: 1114859

Report of the Trustees and
Financial Statements for the Year Ended 31st March 2022
for
Age UK Worcester and Malvern Hills

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

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for the Year Ended 31st March 2022**

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Age UK Worcester and Malvern Hills

**Reference and Administrative Details
for the Year Ended 31st March 2022**

TRUSTEES	S Bartholomew A Buttanshaw S Buttanshaw C Clifford (Co-chair) M Dixon (resigned 16.8.22) A Hartley-Woolley (resigned 16.8.22) D Kitcat J Markiewicz J McKenzie H Sherwood (Co-chair)
COMPANY SECRETARY	C Thomas
REGISTERED OFFICE	Bank House 7 Shaw Street Worcester Worcestershire WR1 3QQ
REGISTERED COMPANY NUMBER	05688674 (England and Wales)
REGISTERED CHARITY NUMBER	1114859
INDEPENDENT AUDITORS	Richards Sandy Audit Services Limited (Statutory Auditor) Thorneloe House 25 Barbourne Road Worcester WR1 1RU
CHIEF EXECUTIVE OFFICER	C Thomas
BANKERS	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ
SOLICITORS	SME 8 Sansome Walk Worcester WR1 1LW

Age UK Worcester and Malvern Hills

Co-Chairs' Report for the Year Ended 31st March 2022

The whole period of these accounts covers our first complete year as a merged charity, working together as one enterprise across a much wider area to offer advice, help, friendship and much needed support to our older population.

During this year we have continued with the work to evaluate and harmonise our staff structures, pay and conditions of employment across our organisation. Existing services were enhanced and extended to new rural areas. We have responded to the growing need for Dementia support with our meeting centres and visiting clients in their own homes with our community support programme. The following report shows in detail the impact the sterling work and dedication of our staff in all our services has had on older people and their families.

Our shop managers and staff, under the leadership of Duncan Albutt, have worked tirelessly to rebuild the income generation lost during the covid lockdowns. This has been a difficult task with many people still wary and unsure of resuming their pre-covid lives. The Office of National Statistics has said that retail sales remain 0.6% lower than pre-pandemic level. Given this our shop teams should be commended for maintaining sound services.

We will continue to look for new opportunities to expand our retail operation and we will look to further develop the services described below and respond to new initiatives to support older people.

The Trustee Board commend the commitment, expertise and hard work of all staff who work to provide the services and contribute so much to help the people we are here to serve. A lot of work happens 'behind the scenes.' Enhanced communications through the new website and the introduction of regular newsletters are helping highlight the range of activity in the new organisation.

We could not do what we do without the help of our many volunteers who freely give their time to help us. We are extremely grateful for all that they do.

We especially give our sincere thanks to our CEO Clare Thomas for her inspiring leadership and her tireless efforts to identify and develop the services needed in our communities.

We are confident that in the challenging times ahead we will continue to be a lifeline to our older population.

Changes to the Board of Trustees.

In May this year we sadly lost our longest serving Trustee. At the time of her death Margaret Dixon had been a Trustee for nearly 30 years. We place on record our respect and gratitude to her for her dedication to our charity.

In August our Chair Anthony Hartley-Woolley decided to retire after over seven years as Chair, five years with Age UK Malvern and then as the first chair of our merged charity. His wide professional experience and skills in organisational management were instrumental to our successful merger. We thank him and wish him well in his future retirement.

The Vice-Chairs of Age UK Worcester and Malvern Hills, Collette Clifford and Hazel Sherwood, were nominated by the Board of Trustees to become the Co-Chairs of the Charity.

We both extend our thanks to our fellow trustees for their support and commitment this year.

Collette Clifford

Hazel Sherwood.

Co-Chairs of Age UK Worcester & Malvern Hills

Age UK Worcester and Malvern Hills

Report of the Trustees for the Year Ended 31st March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity are to promote the following purposes for the benefit of the public and/or older people with the area of benefit:

- Preventing/relieving the poverty of older people;
- Advancing education;
- Preventing/relieving sickness or suffering in older people;
- 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, social exhaustion, or other disadvantage;
- Such other charitable purposes for the benefit of older people as the charity trustees from time to time decide;

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

Significant activities

The worldwide pandemic severely impacted the provision of our services during 2020 and the first part of 2021, with services in the main transferring to phone and on-line. Due to developing need, we also however had the opportunity and support from stakeholders and funders to launch new services - such as those for people with dementia and those who are bereaved.

Once the country unlocked, during 2021 and 2022 we re-started our face-to-face services, while still maintaining a mixed model of service delivery. We have also developed numerous new services and projects.

We have provided the following services to benefit the older people in and around Worcester and Malvern Hills

1. LATER LIFE PLANNING

a) INFORMATION AND ADVICE:

Arguably, our most high-profile service, being a gateway to our other services. Our highly skilled I&A team helps with a very broad range of health and wellbeing issues - being the trusted 'go-to' for the over 50s in our local communities. We undertake a very rigorous external assessment and accreditation process to ensure the validity of our information and advice. We offer face-to-face appointments at our three offices and at home, a telephone helpline and outreach services in the community, all supported by a plethora of information and guidance leaflets. We can help assess eligibility for benefits and assist with form filling and applications. During the year, 7,419 people received information and 2,435 went on to receive long term ongoing support from us. As a result of our work £1,066,936 million was awarded to our clients.

b) LEGAL, PROFESSIONAL and FINANCIAL ASSISTANCE:

We offer a Lasting Power of Attorney service and also signpost any other queries regarding wills, equity release and financial planning to a range of known professional consultants.

c) DIGITAL INCLUSION:

Technology is becoming more prevalent in everyday living and one-to-one tutorials on computers, laptops and phones are available.

2. AT HOME SERVICES

500 clients benefited from our at home services.

a) HANDYPERSON:

To enable older people to live safely in their own homes, mainly fitting aids and adaptations and assessing the benefits of, and installing energy saving items, while giving energy saving advice.

b) HOMEWORKERS:

We have homeworkers serving clients, with cleaning, ironing, and shopping. Each worker is referenced by us, undertakes relevant training, and is monitored by the Homeworking Coordinator.

c) GARDENERS:

We have a growing number of gardeners who offer a gardening service to those who need assistance to keep their gardens tidy and safe.

**Report of the Trustees
for the Year Ended 31st March 2022**

OBJECTIVES AND ACTIVITIES (continued)

3. HEALTH AND WELLBEING

a) FOOTCARE:

Clients are offered nail-cutting and filing services from trained volunteers. The pandemic saw venues close, and volunteers lost but we are building back the service and diversifying into using foot health practitioners to offer a service to people at home.

b) BEFRIENDING:

We currently contact about 300 clients, both by telephone and face-to face, approximately 120 volunteers provide companionship to older people who feel isolated.

c) DEMENTIA:

With plans to meet an ever increasing and evident need, during the year we continued to offer a Dementia Community Support Service - with funding from the NHS. This comprises telephone or face-to-face support/companionship in people's homes, by trained volunteers. We also opened 4 dementia meeting centres across Worcester and Malvern Hills, one in partnership with St Matthias Church in Malvern Link. These are funded by Worcestershire County Council/the National Lottery. We offered cognitive stimulation therapy on-line, for those people with dementia, and their carers who were unable to attend the meeting centres. We also bought (funded by the NHS) a welfare vehicle - our CAMBUS - to deliver awareness raising activities and a life stories project.

d) BEREAVEMENT SUPPORT:

Lockdowns were especially difficult for those who have been bereaved and we therefore worked with St Richard's Hospice to establish a bereavement support service - offering a trained listening ear and companionship. During the year we developed this service.

e) GOOD NEIGHBOUR NETWORK:

As the stay-at-home message was given in March 2020, hundreds of volunteers came together in local communities to help others. We were very fortunate to have been funded by Malvern Hills District Council to develop a Good Neighbour Network. This work was given enormous impetus because of the lockdowns and developed rapidly during last year and this. We have provided support to existing good neighbour groups and helped others to establish - building upon the rich assets of people, places, and partnerships that exist within our local communities. In the autumn of 2021, we were also granted funding from Worcestershire County Council to mirror the Good Neighbour Network in Worcester City.

f) SOCIAL CLUBS, OTHER ACTIVITIES:

Where older people can find companionship and freedom from loneliness. During the pandemic we found new ways to connect people and deliver activities - from online seated dance classes to an intergenerational art project. During this year we have gradually re-opened our face-to-face clubs as well as providing innovative activities such as a music and dance project with Seven Arts. The pandemic slowed but didn't stop progress on other projects for example our Men's shed in Worcester in partnership with St Clément's Church.

g) WINTER PRESSURES:

During the winter months we were part of the NHS winter pressure scheme - helping people to remain independent and stay in their own homes and preventing admission to hospitals.

h) WHEELCHAIR HIRE:

We offer a very low-cost wheelchair hire service.

4. SHOPS

We were able, with much relief, to re-open our charity shops at the beginning of the year. We were also fortunate to secure a no-rent, temporary furniture shop in the centre of Worcester City. We therefore had eight outlets at the end of the year, which provided essential revenue to support our services while at the same time providing affordable goods for people on low income. We also put our on-line sales onto a firmer footing - employing an on-line sales manager.

Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Volunteers

Our work could not happen without the incredible help of our volunteers. They give of their time tirelessly throughout all our services and retail outlets. A huge gratitude of thanks is owed to them, especially those who returned to us after lockdowns. We currently have around 480 volunteers. If each of them gives just an hour of their time each week - many give much more - this saves the charity over £250,000 a year.

Age UK Worcester and Malvern Hills

Report of the Trustees for the Year Ended 31st March 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The year had as its backdrop three significant factors:

- (i) The embedding of the merger of Age UK Worcester and District and Age UK Malvern and District (in the form of an acquisition of the latter by the former), which had occurred in 2020;
- (ii) The re-opening of the retail outlets; and
- (iii) The ongoing assistance from funders, still with COVID related grants.

Fundraising activities

The charity runs a number of shops selling donated goods for the purposes of raising charitable funds. The charity also receives donations and legacies from members of the public.

Whilst the charity does undertake in general advertising activities for donations of cash, donations of goods for resale and legacies via its website, posters and printed leaflets freely available at its premises, the charity does not directly solicit individual members of the public for donations, nor does the charity use either a professional fund-raiser or a commercial participator to solicit donations on its behalf.

Because the charity does nothing relating specifically to fundraising practices nor directly solicit individual members of the public for donations, it has neither any formal complaints procedure specific to soliciting of donations (although details of its general complaints policy can be found on the charity's website) nor any formal policies in regard to protecting vulnerable people and other members of the public from unreasonable intrusion on a person's privacy, unreasonable persistent approaches for soliciting donations or placing undue pressure on a person to make donations.

FINANCIAL REVIEW

Financial position

Total income of Age UK Worcester and Malvern Hills was £1,169,710 for the year.

The contribution from shop trading after deducting direct costs was £103,801.

Income from grants (including charitable activities), donations and legacies decreased by £36,901.

Costs of enabling older people increased by £251,219 (comparative figures exclude 9 months of Malvern).

Cash resources (including those held in fixed notice accounts classified as current asset investments) at the end of the year amounted to £1,500,111 (2021 - £1,299,950) an increase of £200,161.

Note that as the merger with Age UK Malvern And District occurred part way through the comparative period, as well as the impact of Covid-19, no meaningful comparative figures are available for the above analysis.

Client services

Most of the services have benefited from grants from various bodies to help older people during the pandemic.

- Information and Advice, our free flagship service, is run from Worcester, Malvern and Tenbury, and cost £101,028 to run. Despite grants and contracts of £85,570, the service made a loss of £15,458.
- The Handyperson service and Gardening service cost £53,710 to keep in readiness with an overall loss of £35,282.
- The Homeworkers service generated a surplus of £9,332.
- The Footcare service, which was still re-building made a small deficit of £3,644 and is well placed to continue to grow again next year.
- The Befriending Service's surplus of £37,903 was thanks to grants and donations totalling £63,843.
- Dementia services, with the thanks to grants from the Clinical Commissioning Group (NHS), Worcestershire County Council and Age UK recorded a surplus of £120,095 (after deducting the cost of the new CAMBUS), but this is due to grant income being recognised ahead of expenditure.
- Activities - Grants of £15,249 helped us extend the activities we provide for the elderly, although the costs of providing various activities, outweighed income by £25,774 this year.

Principal funding sources

Despite operating in an increasingly competitive market, and despite the ongoing legacy of the pandemic, the shops have continued to achieve a surplus income to fund the charitable objectives of Age UK Worcester & Malvern Hills. Paid for services, in particular the Homeworkers scheme have also produced a surplus. This is due to the hard work and dedication of the volunteers and staff. In addition, we have received grants and contract income for specific projects and several donations.

Age UK Worcester and Malvern Hills

Report of the Trustees for the Year Ended 31st March 2022

FINANCIAL REVIEW (continued)

Investment policy and objectives

We have maintained our policy of investing surplus funds in a readily realisable form.

Cash resources (including those held in fixed notice accounts classified as current asset investments) at the end of the year amounted to £1,500,111 (2021 - £1,299,950).

Interest earned from all deposits during the year was £5,210 (2021 - £2,127).

Reserves policy

Reserves are held to mitigate against uncertainty, ensure there are sufficient reserves to cover any financial shortfalls, to react to unexpected situations, to protect our activities if expected income is not received and to retain continuity in relation to expected grant awards.

The Reserves Policy is to have free reserves (unrestricted funds excluding fixed assets) of at least six months' total revenue expenditure. The policy of the Board is also to direct Reserves into designated areas of service, to fund projects seen as necessary to the Charity's aims, which may possibly not be met in the future by generated income. The designation of reserves is reviewed quarterly. These funds will be excluded from free reserves.

Total reserves at 31 March 2022, excluding fixed assets, were £1,564,332 (2021: £1,386,656). Total designated funds held were £633,348 (2021: £619,480) and total restricted funds held, excluding fixed assets, were £88,613 (2021: £16,029).

At 31 March 2022, free reserves, excluding amounts held as fixed assets, amounted to £842,371 (2021: £751,147) which was equivalent to total expenditure of 10.3 months (2021: 9.2 months based on 2022 total expenditure). The Trustees are confident that there are sufficient reserves to cover possible adverse conditions or events in the meantime.

FUTURE PLANS

In their report the Co-Chairs have related plans for future periods. We will continue to explore new sources of unrestricted income, which will enable us to expand our services.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charitable company is controlled by its governing document, its Memorandum and Articles of Association (as amended by special resolution on 12 August 2020 and on 4 November 2021), and constitutes a limited company limited by guarantee (as defined by Companies Act 2006).

Charity constitution

The charitable company was incorporated on 26 January 2006, registration no. 05688674 and its activities are registered with the Charity Commission, registration no. 1114859.

Organisational structure and decision-making policies

The Directors of the Company who are Trustees of the Charity and who held office during the financial period and at the date of this report are set out on page 1.

The trustees have overall responsibility for ensuring the Charity has systems of internal control in place and for the formulation of strategies and policies. These are designed to give reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes cover policies and procedures for managing finance, risks, a three-year strategic plan and a budget approved by Trustees annually. Regular reports and forecasts are prepared for the Board.

The Trustees have delegated day to day management of the Charity to the Chief Executive Officer (CEO), who during the year was Clare Thomas, and in turn the functions are carried out by staff who report to her. The functional responsibility of staff covers the following areas: Finance, Office Management, Later Life Planning Services, At Home Services, Health and Well-being, Shops and Volunteers.

Appointment of trustees

All charity trustees in office shall serve until the 2023 Annual General Meeting and be eligible for re-appointment for up to two further terms of three years each.

Age UK Worcester and Malvern Hills

Report of the Trustees for the Year Ended 31st March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Recruitment

To ensure that 'new blood' continues to revitalise the Board with appropriate skills and experience, recruitment of new trustees is maintained permanently on a rolling basis. Recruitment is achieved through:

- adverts on our website and in our offices and shops
- adverts placed in local papers on an as-and-when required basis
- word of mouth
- personal business and social contacts

Induction and Training

Each new Trustee receives key documentation and guidance on the role and responsibilities of trustees and has an induction session with the Chair and CEO. They are asked to complete a personal profile form detailing their skills and experience as part of the recruitment process. New Trustees are invited to attend core training, which includes 'An Induction to Age UK' and are circulated with other training opportunities as they arise.

Trustee Indemnity Provisions

The Charity's Articles of Association grants the Trustees indemnity under Sections 232-234 of Companies Act 2006.

Key External Relationships

The organisation is a member of the Age England Association of independent Brand Partners of Age UK and abides by its rules and regulations in promoting the wellbeing of all older people in the Worcester and Malvern Hills areas of administration. It also works with a broad range of partners across the region including Citizens Advice and other voluntary agencies: Worcestershire County Council, Worcester City Council, Malvern Hills District Council; Herefordshire and Worcestershire Clinical Commissioning Group and NHS Trust. It also works closely with other Age UK Brand Partners across the region. West Midlands regional networking meetings and events are attended, where good practice ideas are shared.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OUR THANKS

- To all our volunteers without whom we could not provide the services nor generate the funds
- To the people of Worcester and Malvern Hills, for the donations which stock our shops
- To our Trustees who give so freely of their precious time and knowledge
- To all our Funders and Donors who have given so generously over this very difficult year

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Age UK Worcester and Malvern Hills for the purposes of company law) are responsible for preparing the Annual 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Age UK Worcester and Malvern Hills

**Report of the Trustees
for the Year Ended 31st March 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

In so far as the trustees are aware:

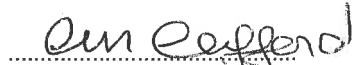
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by order of the board of trustees on 2nd December 2022 and signed on its behalf by:



H Sherwood – Co-chair of Board of Trustees



C Clifford - Co-chair of Board of Trustees

Report of the Independent Auditors to the Members of Age UK Worcester and Malvern Hills

Opinion

We have audited the financial statements of Age UK Worcester and Malvern Hills (the 'charitable company') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 (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 31st March 2022 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 the provisions available for small entities, in the circumstances set out in note 25 to the financial statements, 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 matters - comparatives audited by another auditor

The financial statements of the charitable company for the year ended 31st March 2021 were audited by another auditor, who expressed an unmodified opinion on those financial statements.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

Report of the Independent Auditors to the Members of Age UK Worcester and Malvern Hills

We have nothing to report in respect of the following matters where 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 trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we have:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework; and
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 (and related legislation), the Charities Act 2011 (and related legislation), laws and regulation regarding partial VAT exemptions and regulations relating to the employment and payment of staff including, but not limited to, the Employment Rights Act 1996, the National Minimum Wage Act 1998 and the Pensions Act 2008.

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements, which included reviewing the financial statement disclosures, reviewing the calculations of VAT returns (including ensuring that only input VAT on qualifying expenditure has been claimed) and sample testing of monthly payroll records for the calculation of gross wages, payroll taxes and pension costs.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be allocation by management of wage costs to individual restricted funds. We have reviewed management's calculation methodology for allocating wage costs between individual restricted funds.

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.

**Report of the Independent Auditors to the Members of
Age UK Worcester and Malvern Hills**

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

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Iestyn Richards FCCA (Senior Statutory Auditor)
for and on behalf of Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Date: 12/12/2022

Age UK Worcester and Malvern Hills

**Statement of Financial Activities
for the Year Ended 31st March 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	4	121,333	209,050	330,383	379,762
Charitable activities	7				
Later Life		51,461	-	51,461	42,474
At Home Services		41,409	-	41,409	34,258
Health & Wellbeing		160,294	(3,294)	157,000	100,122
Other trading activities	5	577,047	-	577,047	157,821
Investment income	6	12,410	-	12,410	8,785
Trade and assets Age UK Malvern & District	8	<u>-</u>	<u>-</u>	<u>-</u>	<u>988,798</u>
Total		<u>963,954</u>	<u>205,756</u>	<u>1,169,710</u>	<u>1,712,020</u>
EXPENDITURE ON					
Raising funds	9	465,189	8,057	473,246	274,162
Charitable activities	10				
Later Life		155,662	21,726	177,388	97,680
At Home Services		106,979	-	106,979	77,771
Health & Wellbeing		<u>137,687</u>	<u>86,732</u>	<u>224,419</u>	<u>82,116</u>
Total		<u>865,517</u>	<u>116,515</u>	<u>982,032</u>	<u>531,729</u>
NET INCOME		98,437	89,241	187,678	1,180,291
Transfers between funds	23	<u>(82,557)</u>	<u>82,557</u>	<u>-</u>	<u>-</u>
Net movement in funds		15,880	171,798	187,678	1,180,291
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,828,257</u>	<u>299,934</u>	<u>2,128,191</u>	<u>947,900</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,844,137</u></u>	<u><u>471,732</u></u>	<u><u>2,315,869</u></u>	<u><u>2,128,191</u></u>

The notes form part of these financial statements

Age UK Worcester and Malvern Hills

**Balance Sheet
31st March 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	18	368,418	383,119	751,537	741,535
CURRENT ASSETS					
Debtors	19	123,739	8,362	132,101	122,378
Investments	20	838,959	-	838,959	841,046
Cash at bank		569,130	92,022	661,152	458,904
		1,531,828	100,384	1,632,212	1,422,328
CREDITORS					
Amounts falling due within one year	21	(56,109)	(11,771)	(67,880)	(35,672)
NET CURRENT ASSETS		1,475,719	88,613	1,564,332	1,386,656
TOTAL ASSETS LESS CURRENT LIABILITIES		1,844,137	471,732	2,315,869	2,128,191
NET ASSETS		1,844,137	471,732	2,315,869	2,128,191
FUNDS	23				
Unrestricted funds				1,844,137	1,828,257
Restricted funds				471,732	299,934
TOTAL FUNDS				2,315,869	2,128,191

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

The financial statements were approved by the Board of Trustees and authorised for issue on 2nd December 2022 and were signed on its behalf by:


H Sherwood – Co-chair of Board of Trustees


C Clifford - Co-chair of Board of Trustees

The notes form part of these financial statements

Age UK Worcester and Malvern Hills

**Cash Flow Statement
for the Year Ended 31st March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>237,842</u>	<u>171,860</u>
Net cash provided by operating activities		<u>237,842</u>	<u>171,860</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(43,554)	(13,417)
Sale of tangible fixed assets		2,750	-
Invested into current asset investments		-	(83,170)
Cash acquired as part of net assets of Age UK Malvern & District (note 8)		-	145,135
Interest received		<u>5,210</u>	<u>2,127</u>
Net cash (used in)/provided by investing activities		<u>(35,594)</u>	<u>50,675</u>
 Change in cash and cash equivalents in the reporting period		 202,248	 222,535
Cash and cash equivalents at the beginning of the reporting period		<u>458,904</u>	<u>236,369</u>
 Cash and cash equivalents at the end of the reporting period		 <u><u>661,152</u></u>	 <u><u>458,904</u></u>

The notes form part of these financial statements

Age UK Worcester and Malvern Hills

**Notes to the Cash Flow Statement
for the Year Ended 31st March 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	187,678	1,180,291
Adjustments for:		
Depreciation charges	31,116	24,406
Profit on disposal of fixed assets	(314)	-
Interest received	(5,210)	(2,127)
Donation of trade and assets of Age UK Malvern & District (note 8)	-	(988,798)
Investment cash management charges	2,087	-
Increase in debtors	(9,723)	(42,688)
Increase in creditors	32,208	776
Net cash provided by operations	<u>237,842</u>	<u>171,860</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank	<u>458,904</u>	<u>202,248</u>	<u>661,152</u>
	<u>458,904</u>	<u>202,248</u>	<u>661,152</u>
Liquid resources			
Current asset investments	<u>841,046</u>	<u>(2,087)</u>	<u>838,959</u>
	<u>841,046</u>	<u>(2,087)</u>	<u>838,959</u>
Total	<u>1,299,950</u>	<u>200,161</u>	<u>1,500,111</u>

Age UK Worcester and Malvern Hills

Notes to the Financial Statements for the Year Ended 31st March 2022

1. STATUTORY INFORMATION

Age UK Worcester and Malvern Hills is a charitable company limited by guarantee registered in England and Wales. The charitable company's registered number and registered office address can be found on page 1.

The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £nil per member.

The principal activity of the charitable company is that set out in the Trustees' Report.

The accounts are presented in GBP and are rounded to the nearest £1.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

GOING CONCERN

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from 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.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from grants and donations is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income from grants is only deferred when the charity has to fulfil conditions not yet met before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Legacies are recognised when probate is granted and there is sufficient information to measure them. Where there is insufficient information to reliably measure any outstanding legacies, these are instead treated as contingent assets (and details of any such legacies will be disclosed in the notes to these financial statements).

Income relating to services provided in the course of undertaking direct charitable activities represents the value of services provided to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Rental income is measured on a straight line basis over the period of the lease.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

RAISING FUNDS

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

CHARITABLE ACTIVITIES

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated costs.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

2. ACCOUNTING POLICIES - continued

ALLOCATION AND APPORTIONMENT OF COSTS

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between charitable activities in line with the proportion of directly attributable staff costs.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FINANCIAL INSTRUMENTS

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

Financial instruments are recognised when the charity becomes party to contractual provisions of the instrument.

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

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction.

CURRENT ASSET INVESTMENTS

Current asset investments includes cash equivalents on deposit with a maturity of more than 1 month, but less than one year, from the date of acquisition or opening of the deposit or similar accounts.

CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of one month or less from the date of acquisition or opening of the deposit or similar account.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

2. ACCOUNTING POLICIES - continued**PENSION COSTS**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Critical areas of judgements

The allocation of support costs between individual unrestricted and restricted funds is based on the estimated split of staff time for each individual employee of the charity. The allocation of general support costs between individual unrestricted and restricted funds is directly linked to the assumptions made in allocating staff costs between individual unrestricted and restricted funds.

It is considered impractical to measure the fair value of donated goods received for the purpose of resale at either the point that such goods are received or any time prior to when they are sold. On this basis, no value is attributed to unsold donated stock held for resale by the charity at the year end.

Key sources of estimation uncertainty

Particularly in regard to freehold property, until such time that such fixed assets are replaced or otherwise disposed of, the useful economic lives of tangible fixed assets (which determine the depreciation rates applied) can only be estimated and may vary to their eventual useful economic lives. Details to these rates can be found in the accounting policies in note 2. The carrying value of tangible fixed assets can be found in note 14.

4. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	14,194	10,463
Legacies	72,613	61,474
Grants	243,576	307,825
	<u>330,383</u>	<u>379,762</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Age UK (national)	24,200	-
DWP - Kickstart Scheme	29,016	-
Eveson Charitable Trust	20,000	15,000
HMRC - Coronavirus Job Retention Scheme	177	84,733
Independent Age	14,000	3,735
Malvern Hills District Council	40,866	31,595
National Lottery Community Fund	9,117	17,193
NHS Herefordshire & Worcestershire CCG	62,800	-
Severn Trent	-	11,285
University of Worcester	40,000	-
Worcester City Council	-	118,177
Worcestershire Community Foundation	3,400	10,175
Small grants (less than £5,000 each)	-	15,932
	<u>243,576</u>	<u>307,825</u>

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

5. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Shop income	<u>577,047</u>	<u>157,821</u>

6. INVESTMENT INCOME

	2022	2021
	£	£
Rents received	7,200	6,658
Bank interest	<u>5,210</u>	<u>2,127</u>
	<u>12,410</u>	<u>8,785</u>

7. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
		£	£
Client service fees	Activity		
	Later Life	4,046	-
Grants	Later Life	47,415	42,474
Client service fees	At Home Services	43,513	16,124
Grants	At Home Services	(2,104)	18,134
Client service fees	Health & Wellbeing	30,944	3,412
Mental Health Matters room rental	Health & Wellbeing	3,861	2,290
Grants	Health & Wellbeing	<u>122,195</u>	<u>94,420</u>
		<u>249,870</u>	<u>176,854</u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Age UK (national)	48,504	136,763
Malvern Hills District Council	27,500	-
NHS Herefordshire & Worcestershire CCG	50,663	9,165
Worcester Citizens' Advice Bureau & WHABAC	17,200	9,100
Worcester City Council	4,600	-
Worcestershire County Council	18,138	-
Small grants (less than £5,000 each)	<u>901</u>	<u>-</u>
	<u>167,506</u>	<u>155,028</u>

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

8. TRADE AND ASSETS OF AGE UK MALVERN AND DISTRICT

On 1 January 2021 Age UK Malvern And District (a charitable company) transferred its trade and assets to Age UK Worcester And Malvern Hills. This has been accounted for as a donation to Age UK Worcester And Malvern Hills.

The assets and liabilities of Age UK Malvern And District at the time of transfer was as follows:

	£
Tangible fixed assets	23,317
Debtors	74,913
Current asset investments	757,876
Cash at bank	145,135
Creditors - amounts falling due within one year	<u>(12,443)</u>
	<u>988,798</u>
 Represented by:	
General unrestricted funds	633,720
Designated funds	355,000
Restricted funds	<u>78</u>
	<u>988,798</u>

9. RAISING FUNDS

TRADING ACTIVITIES

	2022 £	2021 £
Staff costs	327,862	186,169
Rent, rates and water	51,345	21,783
Insurance	1,920	4,000
Light and heat	15,813	8,130
Telephone	3,567	1,423
Repairs and maintenance	22,494	15,597
Sundries	37,365	17,986
Depreciation	<u>12,880</u>	<u>19,074</u>
	<u>473,246</u>	<u>274,162</u>

10. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 11) £	Support costs (see note 12) £	Totals £
Later Life	92,637	84,751	177,388
At Home Services	56,286	50,693	106,979
Health & Wellbeing	<u>123,663</u>	<u>100,756</u>	<u>224,419</u>
	<u>272,586</u>	<u>236,200</u>	<u>508,786</u>

11. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	240,940	120,545
Project costs	29,472	18,393
Volunteer expenses	<u>2,174</u>	<u>351</u>
	<u>272,586</u>	<u>139,289</u>

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

12. SUPPORT COSTS

	2022	2021
	£	£
Later Life	84,751	35,768
At Home Services	50,693	39,742
Health & Wellbeing	100,756	42,768
	<u>236,200</u>	<u>118,278</u>

Support costs, included in the above, are as follows:

	2022	2021
	£	£
Wages	105,916	62,670
Social security and pension	10,678	24,756
Employee benefits	1,175	1,170
Rates and water	1,899	1,449
Insurance	2,980	799
Light and heat	5,254	(22,031)
Telephone	6,425	2,559
Postage and stationery	8,406	3,622
Advertising	1,332	87
Sundries	6,224	2,164
Repairs and maintenance	1,956	3,010
Travel	2,084	2,132
Motor expenses	9,236	4,562
Trustee meetings	772	921
Computer	5,000	4,114
Subscriptions	4,305	2,205
Depreciation of tangible fixed assets	18,236	5,332
Profit on sale of tangible fixed assets	(314)	-
Bank charges	3,828	474
Postage and stationery	321	-
Auditors' remuneration	9,150	6,000
Accountancy fees	22,665	8,118
Legal fees	8,672	4,165
	<u>236,200</u>	<u>118,278</u>

13. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	31,116	24,406
Surplus on disposal of fixed assets	(314)	-
Amount paid under operating leases	<u>48,271</u>	<u>21,249</u>

Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**14. AUDITORS' REMUNERATION**

	2022 £	2021 £
Current year auditors		
Audit of the financial statements	6,050	-
Other services	<u>564</u>	<u>-</u>
	<u>6,614</u>	<u>-</u>
 Prior year auditors		
Audit of the financial statements	3,100	6,000
Other services	<u>1,383</u>	<u>1,300</u>
	<u>4,483</u>	<u>7,300</u>

These amounts include irrecoverable input VAT relating to amounts invoiced.

The £3,100 payable in the current year to the prior year auditor relates to additional charges in regard to the prior year audit over and above what was accrued for in that financial year.

15. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

16. STAFF COSTS

	2022 £	2021 £
Wages and salaries	636,803	363,426
Social security costs	37,191	25,059
Pension costs (relating to defined contribution schemes)	7,909	4,388
Employee benefits	<u>4,668</u>	<u>2,438</u>
	<u>686,571</u>	<u>395,311</u>

The average monthly number of employees during the year was 41 (2021 – 27).

No employees had employee remunerations for the year (excluding employer's N.I. and pension costs) exceeding £60,000 (2021 - 1 employee had remunerations between £60,000 and £70,000).

The key management personnel remunerations for the year (including employer's N.I. and pension costs) totalled £61,399 (2021 - £68,362).

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

17. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	379,762	-	379,762
Charitable activities			
Later Life	42,474	-	42,474
At Home Services	34,258	-	34,258
Health & Wellbeing	85,680	14,442	100,122
Other trading activities	157,821	-	157,821
Investment income	8,785	-	8,785
Other income	<u>988,720</u>	<u>78</u>	<u>988,798</u>
Total	<u>1,697,500</u>	<u>14,520</u>	<u>1,712,020</u>
EXPENDITURE ON			
Raising funds	274,162	-	274,162
Charitable activities			
Later Life	83,272	14,408	97,680
At Home Services	77,771	-	77,771
Health & Wellbeing	<u>80,377</u>	<u>1,739</u>	<u>82,116</u>
Total	<u>515,582</u>	<u>16,147</u>	<u>531,729</u>
NET INCOME/(EXPENDITURE)	1,181,918	(1,627)	1,180,291
Transfers between funds	<u>78</u>	<u>(78)</u>	<u>-</u>
Net movement in funds	1,181,996	(1,705)	1,180,291
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>646,261</u>	<u>301,639</u>	<u>947,900</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,828,257</u></u>	<u><u>299,934</u></u>	<u><u>2,128,191</u></u>

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

18. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1st April 2021	865,679	48,851	13,801	928,331
Additions	-	560	42,994	43,554
Disposals	-	-	(8,465)	(8,465)
At 31st March 2022	<u>865,679</u>	<u>49,411</u>	<u>48,330</u>	<u>963,420</u>
DEPRECIATION				
At 1st April 2021	164,024	16,196	6,576	186,796
Charge for year	15,314	8,218	7,584	31,116
Eliminated on disposal	-	-	(6,029)	(6,029)
At 31st March 2022	<u>179,338</u>	<u>24,414</u>	<u>8,131</u>	<u>211,883</u>
NET BOOK VALUE				
At 31st March 2022	<u>686,341</u>	<u>24,997</u>	<u>40,199</u>	<u>751,537</u>
At 31st March 2021	<u>701,655</u>	<u>32,655</u>	<u>7,225</u>	<u>741,535</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	5,875	5,417
VAT	2,255	2,593
Accrued income	112,832	99,996
Prepayments	<u>11,139</u>	<u>14,372</u>
	<u>132,101</u>	<u>122,378</u>

20. CURRENT ASSET INVESTMENTS

	2022 £	2021 £
Cash equivalents on deposit	<u>838,959</u>	<u>841,046</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	22,319	5,785
Social security and other taxes	12,188	6,335
Pension creditor	-	1,009
Rent deposits	692	1,292
Accrued expenses	16,646	21,251
Deferred grant income	<u>16,035</u>	-
	<u>67,880</u>	<u>35,672</u>

Deferred grant income

Deferred grant income relates to service grants receivable where, following the impact of the second Covid-19 lockdown, the charity has agreed with the fund provider to defer delivery of the relating service until the next financial year.

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

22. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	33,800	34,724
Between one and five years	56,533	84,033
In more than five years	3,150	9,450
	<u>93,483</u>	<u>128,207</u>

During the year the charity received rent waivers from its landlords relating to Covid-19 totalling £3,231 (2021 - £nil).

23. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,208,777	84,569	(82,557)	1,210,789
Fixed Asset Replacement Fund	75,000	-	-	75,000
Activities Fund	25,177	(18,896)	-	6,281
Dementia Fund	29,222	68,673	-	97,895
Footcare Fund	74,661	(3,644)	-	71,017
Good Neighbour Network Fund	18,940	25,207	-	44,147
Handy Person Fund	78,772	(35,282)	-	43,490
Homeworkers Fund	109,772	9,332	-	119,104
Information and Advice Fund	143,806	(38,732)	-	105,074
Visiting & Befriending	64,130	7,210	-	71,340
	1,828,257	98,437	(82,557)	1,844,137
Restricted funds				
9a/10 Mealcheapen Street	284,625	(8,057)	106,551	383,119
Information & Advice Fund	-	23,274	-	23,274
Men's Shed Fund	3,857	(3,521)	-	336
Social Club Lottery Fund	11,452	52	-	11,504
Dementia Fund	-	75,416	(23,994)	51,422
Creative Friends Fund	-	(3,409)	-	(3,409)
Visiting & Befriending Fund	-	5,486	-	5,486
	299,934	89,241	82,557	471,732
TOTAL FUNDS	<u>2,128,191</u>	<u>187,678</u>	<u>-</u>	<u>2,315,869</u>

Age UK Worcester and Malvern Hills

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	748,683	(664,114)	84,569
Activities Fund	1,825	(20,721)	(18,896)
Dementia Fund	63,173	5,500	68,673
Footcare Fund	14,851	(18,495)	(3,644)
Good Neighbour Network Fund	36,588	(11,381)	25,207
Handy Person Fund	18,428	(53,710)	(35,282)
Homeworkers Fund	23,113	(13,781)	9,332
Information and Advice Fund	40,570	(79,302)	(38,732)
Visiting & Befriending	16,723	(9,513)	7,210
	<u>963,954</u>	<u>(865,517)</u>	<u>98,437</u>
Restricted funds			
9a/10 Mealcheapen Street	-	(8,057)	(8,057)
Information & Advice Fund	45,000	(21,726)	23,274
Men's Shed Fund	-	(3,521)	(3,521)
Social Club Lottery Fund	115	(63)	52
Dementia Fund	136,800	(61,384)	75,416
Creative Friends Fund	9,109	(12,518)	(3,409)
Tackling Inequalities Fund	4,200	(4,200)	-
Visiting & Befriending Fund	10,532	(5,046)	5,486
	<u>205,756</u>	<u>(116,515)</u>	<u>89,241</u>
TOTAL FUNDS	<u><u>1,169,710</u></u>	<u><u>(982,032)</u></u>	<u><u>187,678</u></u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	646,261	822,438	(259,922)	1,208,777
Fixed Asset Replacement Fund	-	75,000	-	75,000
Activities Fund	-	(4,823)	30,000	25,177
Dementia Fund	-	(778)	30,000	29,222
Footcare Fund	-	54,661	20,000	74,661
Good Neighbour Network Fund	-	(1,060)	20,000	18,940
Handy Person Fund	-	38,772	40,000	78,772
Homeworkers Fund	-	109,772	-	109,772
Information and Advice Fund	-	43,806	100,000	143,806
Visiting & Befriending	-	44,130	20,000	64,130
	<u>646,261</u>	<u>1,181,918</u>	<u>78</u>	<u>1,828,257</u>
Restricted funds				
9a/10 Mealcheapen Street	284,625	-	-	284,625
Information & Advice Fund	-	78	(78)	-
Men's Shed Fund	4,876	(1,019)	-	3,857
Social Club Lottery Fund	12,138	(686)	-	11,452
	<u>301,639</u>	<u>(1,627)</u>	<u>(78)</u>	<u>299,934</u>
TOTAL FUNDS	<u><u>947,900</u></u>	<u><u>1,180,291</u></u>	<u><u>-</u></u>	<u><u>2,128,191</u></u>

Age UK Worcester and Malvern Hills

Notes to the Financial Statements - continued for the Year Ended 31st March 2022

23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,179,703	(357,265)	822,438
Fixed Asset Replacement Fund	75,000	-	75,000
Activities Fund	6,517	(11,340)	(4,823)
Dementia Fund	9,165	(9,943)	(778)
Footcare Fund	64,563	(9,902)	54,661
Good Neighbour Network Fund	-	(1,060)	(1,060)
Handy Person Fund	83,722	(44,950)	38,772
Homeworkers Fund	114,495	(4,723)	109,772
Information and Advice Fund	105,856	(62,050)	43,806
Visiting & Befriending	58,479	(14,349)	44,130
	1,697,500	(515,582)	1,181,918
Restricted funds			
Information & Advice Fund	14,486	(14,408)	78
Men's Shed Fund	-	(1,019)	(1,019)
Social Club Lottery Fund	34	(720)	(686)
	14,520	(16,147)	(1,627)
TOTAL FUNDS	<u>1,712,020</u>	<u>(531,729)</u>	<u>1,180,291</u>

PURPOSE OF FUNDS - DESIGNATED FUNDS

The charity has two types of designated funds.

The Fixed Asset Replacement Fund represents a general reserves fund set aside as part of the charity's general reserves policy, where the exact timing of when this fund will be utilised is as yet undetermined.

All other designated funds relate to the direct income and expenditure allocated to specific individual ongoing projects, with the remaining balance on these funds set aside until the related projects have concluded such that if the charity should lose funding for these projects the charity can then continue funding them for a short time until either alternative funding sources can be secured or as to allow a gradual rather than sudden withdrawal of services to the individual benefiting from these projects.

Fixed Asset Replacement Fund

This fund is designated for the purpose of funding any major replacement of our vehicles, and/or for funding a move of offices or shops, if necessary.

Activities Fund

This fund relates to the regular social activities and events with the aim of abolishing social isolation.

Dementia Fund

This fund relates to running group activities designed to support people with early to mid-stage dementia or memory loss.

Footcare Fund

This fund relates to providing regular foot care clinics and home visiting for the charity's clients.

Good Neighbour Network Fund

This fund relates to arranging volunteers to undertake small tasks for individuals over 50.

Handyperson Fund

This fund is designated to provide the means to employ a handyperson to fit aids and adaptations for those with mobility issues, to advise on lighting and electrical installations, to install keysafes and to provide general practical support where the elderly needs it. It is partly funded by client fees charged and a small amount of client donations.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

23. MOVEMENT IN FUNDS - continued

Homeworkers Fund

This fund is designated to provide "Happy Home Workers" to the elderly who need assistance with cleaning, shopping, cooking, dog-walking etc and other domestic needs in their homes. The workers operate on a self-employed basis, and donate £3 an hour to us to cover administration costs

Information & Advice Fund

This fund has been set up to highlight the financial implications of providing an independent and confidential service to the older people of Worcester, Malvern and District, to improve their quality of life, and keep them safe and warm in their own homes. We supply a plethora of pamphlets and guides, assess eligibility for grants, and give practical help where appropriate. Donations from satisfied customers make a small contribution towards the costs and we are also contracted for the provisions of I&A services by a local medical practice.

Visiting & Befriending Fund

This fund is to identify and contact the house-bound or lonely, and provide them with companionship through the use of volunteers. The only income is derived from a small number of public donations.

PURPOSE OF FUNDS - RESTRICTED FUNDS

9a/10 Mealcheapen Street

This fund relates to the property 9a/10 Mealcheapen Street, Worcester, which was funded by the National Lottery Charities Board. Unless otherwise authorised by them, the property cannot be disposed of for a term of 80 (eighty) years from the date of purchase. The restriction expires in January 2081. All other conditions attached to the fund must be adhered to as well.

Information & Advice Fund

This fund relates to a grant received from Age UK (national) to develop information and advice services to adapt to the needs of older people in the pandemic.

Men's Shed Fund

The fund relates to monies originally received from the Langdale Trust to fund a project to support older men who want to get together, share and learn new skills

Social Club Lottery Fund

This fund relates to a grant received from the Social Club Lottery for the deliverance of a seated dance club for the elderly.

Dementia Fund

This fund relates to monies received from Age UK (national), University Of Worcester and the NHS and in regards to providing community support to those suffering from dementia.

Creative Friends Fund

This fund relates to monies received from the National Lottery Community Fund to fund Creative Friends Intergenerational Art Workshops project.

Tackling Inequalities Fund

This fund relates to monies received from Age UK (national), to fund activities that aimed to help reduce the negative impact of Coronavirus and the widening of the inequalities in taking part in sports and physical activity.

Visiting & Befriending Fund

This fund relates to monies received from Malvern Hills District Council and Independent Age to support re-establishing face to face services for older people.

TRANSFERS BETWEEN FUNDS

During the year £106,551 was transferred from the unrestricted general fund to the restricted 9a/10 Mealcheapen Street fund in order to align the restricted fund balance with the net book value of the restricted property.

During the year the charity purchased a minibus to be used in regards to dementia services costing £23,994. This vehicle was funded out of Dementia restricted fund. On purchase the value of this vehicle was transferred out of restricted funds into unrestricted funds.

**Notes to the Financial Statements - continued
for the Year Ended 31st March 2022**

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2022.

25. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Age UK Worcester and Malvern Hills

**Detailed Statement of Financial Activities
for the Year Ended 31st March 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	14,194	10,463
Legacies	72,613	61,474
Grants	<u>243,576</u>	<u>307,825</u>
	330,383	379,762
Other trading activities		
Shop income	577,047	157,821
Investment income		
Rents received	7,200	6,658
Bank interest	<u>5,210</u>	<u>2,127</u>
	12,410	8,785
Charitable activities		
Client service fees	78,503	19,536
Mental Health Matters room rental	3,861	2,290
Grants	<u>167,506</u>	<u>155,028</u>
	249,870	176,854
Other income		
Trade and assets of Age UK Malvern And District	<u>-</u>	<u>988,798</u>
Total incoming resources	1,169,710	1,712,020
EXPENDITURE		
Raising donations and legacies		
Wages	307,367	180,211
Social security and pensions	18,068	4,691
Employee benefits	2,427	1,267
Rent, rates and water	51,345	21,783
Insurance	1,920	4,000
Light and heat	15,813	8,130
Telephone	3,567	1,423
Repairs and maintenance	22,494	15,597
Sundries	37,365	17,986
Depreciation of tangible fixed assets	<u>12,880</u>	<u>19,074</u>
	473,246	274,162
Charitable activities		
Wages	223,520	120,545
Social security and pension	16,354	-
Employee benefits	1,066	-
Project costs	29,472	18,393
Volunteer expenses	<u>2,174</u>	<u>351</u>
	272,586	139,289

This page does not form part of the statutory financial statements

Age UK Worcester and Malvern Hills

**Detailed Statement of Financial Activities
for the Year Ended 31st March 2022**

	2022 £	2021 £
Support costs		
Management		
Wages	105,916	62,670
Social security and pension	10,678	24,756
Employee benefits	1,175	1,170
Rates and water	1,899	1,449
Insurance	2,980	799
Light and heat	5,254	(22,031)
Telephone	6,425	2,559
Postage and stationery	8,406	3,622
Advertising	1,332	87
Sundries	6,224	2,164
Repairs and maintenance	1,956	3,010
Travel	2,084	2,132
Motor expenses	9,236	4,562
Trustee meetings	772	921
Computer	5,000	4,114
Subscriptions	4,305	2,205
Freehold property	5,247	-
Fixtures and fittings	5,405	3,839
Motor vehicles	7,584	1,493
Profit on sale of tangible fixed assets	(314)	-
	191,564	99,521
 Finance		
Bank charges	3,828	474
 Information technology		
Postage and stationery	321	-
 Governance costs		
Auditors' remuneration	9,150	6,000
Accountancy fees	22,665	8,118
Legal fees	8,672	4,165
	40,487	18,283
 Total resources expended	982,032	531,729
 Net income	187,678	1,180,291