

REGISTERED COMPANY NUMBER: 06876354 (England and Wales)
REGISTERED CHARITY NUMBER: 1133023

REPORT OF THE TRUSTEES AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
AGE UK MEDWAY
(A COMPANY LIMITED BY GUARANTEE)

Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

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FOR THE YEAR ENDED 31 MARCH 2021**

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**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The year ended 31st March 2021 has been probably the most challenging in our charities history. From the outset of the financial year, our executive team has operated under circumstances probably not unlike those that led to the creation of the first older person's welfare association post second world war.

For our teams, facing the challenge of heavily reduced income and the need to quickly adapt models of work and create brand new services on the hoof, has tested their resilience and at times, given them and the trustees cause to doubt the future of the charity. However, by mid-year, our conversations had changed from crisis planning to effective response, mergers and growth to sustainability and improved financial health, a real roller coaster of emotions, though process, and of course, an immense amount of work.

Despite the odds set at the start of the year, we have ended in a surprising position, one which reflects the success of our relationships, the strength of our public support, and the sheer determination of our executive leadership, staff and volunteers. I have been truly humbled this year to see first-hand, the adaptable nature of our services, and experience the leap as a trustee, from meeting face to face to board meetings by Teams!

This level of adaptation is now seen across the charity group, from retail, with a new online sales provision, to day centres, that although open again, can now reach people virtually. Watching and hearing the team talk about how they can adapt, and seeing that process of thinking through and around problems which has led to the creation of new services like Sparko TV has been really exciting for the whole trustee board.

We are immensely proud of all that has been achieved this year, against all odds, and proud to be the governance leadership for an organisation very visibly dedicated to its charitable aims. I look forward to next year, which will be my last as Chairman, as I know that the executive will give us even more to look back and be proud of.



A Bates - Chairman

Date: 28th October 2021

Age UK Medway is a local brand partner of the national organisation Age UK, and as such is an independent and autonomous registered local charity that provides a range of support and care services for older people across the Medway towns and into our neighbouring Kent towns. We are committed to providing high quality, accessible services that enable older people to live safely and independently in their own homes for as long as possible. Our services directly impact on the rising concern of social isolation, and the charity works hard to promote the benefits of social interaction through our range of services that breakdown many of the barriers to social involvement.

The year ending March 31st 2021 has been a challenging one, having set a budget and business plan for the year and having had this signed off at a board of trustees meeting on the 19th March 2020, on March 23rd, following the announcement of a national lockdown, the budget and strategy became immediately irrelevant.

Our charity group, like many others around the country, faced an enormous challenge of an estimated 500k reduction in income and therefore a draw of the same against our reserves.

Our response, was to immediately consider the cash flow needs for the organisation, set against an unknown length of income loss, and commence a costs and efficiencies programme to reduce the charities overheads, and streamline service costs to align with new models of work which could continue within the heavy restrictions imposed by the government.

We simultaneously launched the charities first ever local emergency fundraising campaign, which fortunately encouraged a level of donations and support unseen in the charities history.

Our staff and volunteers immediately embraced the status of key workers as we collectively responded to the national emergency, the following narrative describes the changes and adaptations in each of our service areas across the year and through the close of the financial year which mean a return to business more normal, notwithstanding an extended period of restrictions.

Day Services

On March 23rd 2020 the government ordered a closure of the majority of face to face services across the country, and this included our successful day services. All of our income from charge paying beneficiaries aged over 60 ceased as they were placed behind the governments shield. In the weeks following, as guidance gradually emerged and more information was released about the pandemic, it became clear that services would not return to normal for some considerable time. We took the decision to close down our Strood service and mothball the building, utilising the governments furlough scheme to offset staff costs, alongside a longer term plan to sell the building and release cash from the asset. In our Gillingham centre, work commenced to create a "Virtual Day Service" which meant in reality calling every customer of our services each day for a welfare check, and sending out once a week, a full 20-page activity booklet for them to do at home. This was complimented by a 45-minute activity phone call from a day centre carer, and a delivered meal, ensuring that although locked down and shielded, our older people who needed us more than ever, could be connected with us, and some semblance of normality. Our social services sponsored clients were served by the virtual service too, and their centre costs were supported by the local authority. The virtual service meant we could begin to recover some income, which had been anticipated as lost.

Information and Advice

The service has always been funded from the charities surpluses or reserves, and has made a significant contribution to the charities impact locally, however given the new operating environment, we took the difficult decision in June 2020 to close this service. The cost savings relating to staff were part of the overall costs and efficiency program, and the staff were effectively redeployed or re-employed by partner organisations. The service is still provided but in partnership with Age UK Sittingbourne and Faversham. The designated fund to support Information and Advice is now named as the Crisis Response Fund in the balance sheet and accounts to reflect the changes during the year.

Dementia services

As with mainstream day services, our dementia services had to close on the 23rd March 2020, and like their mainstream equivalent, a virtual service was created and offered to all existing clients to ensure some level of continuity of service. It was the staff of the 4 dementia services, well versed in creating bespoke activities for the Dementia clients, who set to work to create the "Golden Times" activity packs which formed the backbone of the virtual service.

Delivered Meals

Last year our delivered meals service was a fledgling pilot running in a single postcode area to test and learn from the older person market. We reached during last year a total of 20 delivered meals per day, across both commercial kitchens based in our day services, mainly in response to last minute day centre cancelation and the odd referral from the general public. However, as the lockdown was imposed, our delivered meals were called upon to meet the needs to our former day centre clients through our virtual day centre, and then called upon to serve a number of older people living in housing association accommodation across the Medway towns, specifically in the first quarter of the financial year, as the world adjusted to an unforeseen call on online shopping, and worked out how older people might get online to do their grocery shopping. Our delivered meals peaked at 175 meals per day, utilising our day centre staff, drivers and a range of volunteers to ensure they were all delivered to a high standard each day, across a 7-day week.

Volunteers

Our year's activity across all of our services to older people would not have been possible to the levels we have celebrated without the unswerving support of our army of volunteers, recruited and supported by our volunteer coordinator. This year specifically, we welcomed a number of volunteers from the Kent Fire and Rescue service, who without, we would not have been able to deliver so many urgent hot meals, shopping packs, or collected prescriptions. The volunteer roles across the organisation support our paid staff, and enhance the service we can offer through the application of additional time, additional listening, and valuable hands to the pump in particularly busy settings, for example our charity shop.

Membership services

Our membership services were suspended for the duration of the pandemic year, as the mainstay of the service which was day trips and outings were of course suspended. We have planned for a re-start of the membership services, and used the year to remain in contact with our members to offer support in other ways should they have found that to be useful.

Age Concern Gillingham Shop

Our charity shop, run by our sister charity Age Concern Gillingham closed for the majority of the year, re-opening briefly in October and December before a gradual re-opening in the last quarter of the financial year. Sadly income from this model of work is significantly reduced, but donated goods for resale have been collected during the year enabling a well-stocked shop when the time came. We also used the closedown period to re-vamp the interior of the shop, utilising fittings provided by Age UK following the closure of their own shop in Chatham.

Fundraising

There has been significant progress in fundraising this year, given the context of the pandemic, and the raised profile of the needs of older people particularly during the first and subsequent lockdown periods, fundraising has provided a welcome boost to the charities income, through one off donations, text to donate social media events, grant applications, and even a legacy donation. In April 2020 the team launched the first ever emergency fundraising appeal, asking for 500k which was the estimated draw on reserves at the start of the pandemic. The target wasn't met, but with a total fundraising amount of nearly 3/5ths of that, we are heralding that as a great success, considering the standing start. We now anticipate fundraising making a more substantial contribution to future budgets having learnt a great deal during this last year, we are excited to have a fundraising strategy for the first time which is showing good signs of engagement and importantly income generation in the last quarter of the year.

Sparko TV

We have begun during the last quarter of the year to roll out our truly virtual package of support for our beneficiaries, working in partnership with Sparko TV, we are delivering tailored content through a digital set top box subscription service to older people who can use the service to enhance their TV content, and perhaps more importantly, use the service to connect by video to friends and family. Rather than struggling to learn new technology or adapt to small screen, Sparko brings the service to the person's TV screen and placed it at the heart of their everyday activity.

Carers Relief Service (CRS)

**CHIEF EXECUTIVE'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

In February 2021 we completed a merger with Carers Relief Service, who approached us in December 2020 to merge as we were judged by them to be the most attractive option for them. Formerly, CRS was a charity bound by trust deed, with limited infrastructure, and a limited ability to grow or contract for new work as a result. As a result of the merger, they now have maintained their brand identity, but crucially joined the Age UK Medway group, and now benefit from our infrastructure of services including IT support, HR, payroll, insurance cover, access to our assets of buildings and transport, and can now look forward to a programme of growth in the coming year. CRS provide respite care to adults with a learning disability, and as such, the carers of those adults are older people who can now benefit from a range of Age UK services.

The coming year

I am very pleased to report that the coming year, now that we have survived this last year, looks much more positive than we could ever have hoped. With new models of work emerging to support our well established models, and a reduced costs base following our successful programme of efficiencies, we have created a budget for the coming year with a small surplus (around 30k). We have an improved cash position with the sale of Strood due to complete in the first quarter, and funds released from fixed terms bonds, and we have a cash flow which points to a sustainable organisation.

We can now finally begin to think about growth again, and have plans to do so through both the continued expansion of our reach to more older people across Medway and Kent, and the addition of new services through potential acquisitions like CRS this year, which complement our service offer, or bring to us, more older people who can benefit from our range of high quality services.

At the start of the financial year, we feared the worst, and alluded to the same in last years' report. However, through the dedication of our staff teams, and our volunteers, and our committed trustees, and the wealth of financial and moral support we received during the year, we have pulled through what is envisaged as the worst of it. We will no doubt have continued challenges as we build back to our former numbers of beneficiaries, and we will utilise our improved cash position to support a measured growth plan, but most importantly, we have managed to remain resolute to our charitable aims throughout. We started the year with a determination to be there for our older people, if it meant contracting in size, and reducing the number of services, we would do whatever it took to preserve the charity for the future. I am pleased to say we have achieved exactly that. We now look forward with renewed purpose, renewed faith in the public to support older people, and renewed plans for growth, ensuring that every older person in Medway who needs us, can receive our services when they need them.


.....
J M Norley - Chief Executive Officer

Date: 28th October 2021

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

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 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' FRS 102.

The report is prepared in accordance with the small company regime (Section 419(2) of the Companies Act 2006).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charitable company is to promote the well-being of all older people and to help make later life a fulfilling and enjoyable experience.

The charity is committed to providing high quality services enabling older people to live safely and independently in their own home.

Significant activities

Details of the significant activities of the charity can be found in the Chief Executive's report on pages 2-4 of the financial statements.

Public benefit

In accordance with section 17 of the Charities Act 2011, the trustees have had due regard to the guidance published by the Charity Commission on the operation of the requirement that our charitable purpose is for the public benefit. We will continue to meet the requirements by ensuring that all of the services we operate have the benefit of the customer at the heart of creation, development and operation. We will continue to hold the prices of customer's contribution to services within a range from free at point of access to affordable where a contribution is sought. We recognise that our charity supports those for who accessing services conventionally is cost prohibitive and often forces difficult choices between basic needs.

Grantmaking

The charity has no grant making policy. No grants were made during the year.

Risk Management

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate its exposure to major risks. Risks are monitored at each board meeting and measured using a traffic light system.

Principal Risks and Uncertainties

The most significant risks to the charity come in the form of a slow return to normal attendance levels across our face-to-face services which will have a direct impact on the charities ability to raise its normal levels of income. This has been anticipated through a phased budget for the coming year, assuming low levels of attendance in day centres and dementia services in the first two quarters, with a gradual return to pre Covid pandemic levels in the third and 4th quarters, but this remains an assumption based upon our best intelligence at the time of setting the year's budget. Compounding this risk, will be the slow return to normal working patterns once the restrictions are eased in relation to our statutory referring agents, local authority and health authority, as without face-to-face assessments, financial assessment etc, the flow of referrals from these sources will be significantly interrupted. These uncertainties are to a degree offset by the performance of 2020/21 with a healthy surplus that can support the charity in a recovery year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

Details of the achievement and performance of the charity during the year under review can be found in the Chief Executive's report on pages 2-4 of the financial statements. However, it is important to consider why we are here and the impact we have. Older people have been, particularly this year, marginalised as never before, loneliness has been compounded, isolation has been enforced, and health and mobility have surely deteriorated. Our work this year to respond to the global pandemic, as part of a key worker frontline response to our national emergency has shown us just how important, if ever we needed the reminder, that charitable services are in the fabric of our society. Alongside the statutory sector, the third sector has played a pivotal role in the pandemic response, from emergency response in the initial lockdown, the effective support of the vaccination program, and the gradual re-opening of valuable support services to care for the most vulnerable in our society. The report this year's tells a very different story about the competing challenges of staying afloat as a charity, and maintaining the crucial services for the older people we serve.

FINANCIAL REVIEW

Reserves policy

The trustees have reviewed the reserves of the charity and have established a policy under which the unrestricted reserves held by the charitable company should be between three and six months of the resources expended, that is between £639,000 and £1,278,000

As at 31 March 2021 the unrestricted reserves amounted to £1,537,139 (2020: £1,174,860). Of this amount, £849,071 (2020: £829,923) is designated for specific purposes, the remaining £688,068 (2020: £344,937) is free reserves.

The balance on all restricted and unrestricted funds and explanation of why held can be found in note 21 to the financial statements.

Investment policy and objectives

In accordance with the memorandum of association the charity has unrestricted powers of investment but the trustees are required to take advice before buying or selling investments.

Overview

The Statement of Financial Activities shows a surplus/(deficit) for the year of £381,552 (2020: (£52,220)). Our reserves stand at £1,612,817 (2020: £1,231,265).

Principal funding sources

Principal funding sources to the charity come from local government contracts, grants and earned income. These funding sources support the charity's key objectives by enabling the continued provision of valuable support and care services for older people in Medway. Income directly supports the provision of the welfare fund, which is available to customers awaiting suitable financial assessments for care, but demonstrate an immediate presenting need. The fund is designed to fill the gap between needs and statutory funding support, meaning no one has to wait for the care they need, a wholly charitable objective realised through this welfare fund.

Tax status

The charitable company is exempt from taxation on charitable activities.

FUTURE PLANS

Plans for future periods can be found in the Chief Executive's report on pages 2-4 of the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Age UK Medway was incorporated as a company limited by guarantee on 14 April 2009, with registration number 06876354, and was registered with the Charity Commission on 1 December 2009 with registration number 1133023. It is governed by its memorandum and articles of association. It changed its name from Medway Age Concern on 13 June 2012.

The members of the charitable company are the trustees named on the information page. In the event of the charitable company being wound up, their liability in respect of the guarantee is limited to £1 each.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The directors of the charitable company are its trustees for the purposes of charity law and, in accordance with the articles of association, are known as the board of trustees.

The trustees are elected at least once every three years by the members attending the charitable company's annual general meeting. They may serve for three years and are eligible for re-election. The board of trustees has the power to appoint persons to fill any casual vacancies and to co-opt persons to the board.

Trustees are recruited from a wide range of backgrounds to ensure an appropriate mix of skills and experience.

Organisational structure

The trustees, as trustees of the charity, are legally responsible for the overall management and control of the charity. The charitable company is managed on a day to day basis by the chief executive, who reports to the board of trustees, which meets bi-monthly.

Induction and training of new trustees

New and existing trustees are encouraged to spend time at the Day Centres helping and observing our day to day operations. New and existing trustees are also encouraged to attend appropriate training courses, for which the charitable company pays.

Related parties

The only related party transactions are donations from Age Concern Gillingham, a charitable company under common control.

A declaration of conflict of interests and a reminder to disclose are included in the header for each board minute agenda. At each meeting there is an agenda item also to ensure that disclosures can be made.

There is a regular assessment of procurement by the Finance Manager and the Chief Executive to ensure that there are no related parties under contracts for services.

Remuneration

The board have constituted a subcommittee to oversee the charity's staff remuneration and terms of service, this committee is made up of the Chairman, Treasurer and two trustees. The committee is focused on the establishment of good employer principles through the staff terms and conditions, which includes pay, pensions, healthcare and other benefits. The committee is charged with the review of staff salaries each year as part of the charity's budget setting process, and sets the salaries for the senior management team.

Trustees Indemnity

The charitable company has arranged qualifying indemnity insurance for the trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06876354 (England and Wales)

Registered Charity number

1133023

Registered office

The Admiral's Offices
Main Gate Road
Chatham Historic Dockyard
Chatham
Kent
ME4 4TZ

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

A J Bates
T R Lucy
S M Robinson
A A West
K Festorazzi - resigned 19th August 2021
G Fargher
J Burton-Jones

Chief Executive

J M Norley

Company Secretary

J M Norley

Auditors

Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
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ME2 3EW

Solicitors

Furley Page
Admirals Offices
Main Gate Rd
Chatham
ME4 4TZ

Bankers

Barclays Bank Plc
61-63 Week Street
Maidstone
ME14 1QU

Lloyds TSB
104-106 High Street
Sheerness
ME12 1UB

CCLA Investment Management Limited
80 Cheapside
London
EV2V 6DZ

Shawbrook Bank Limited
Lutea House
Warley Hill Business Park
Brentwood
CM13 3BE

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Age UK Medway 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.

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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

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 28th October 2021 and signed on its behalf by:



.....
A J Bates - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AGE UK MEDWAY (REGISTERED NUMBER: 06876354)**

Opinion

We have audited the financial statements of Age UK Medway (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the group and parent charitable company Balance Sheets, the Consolidated 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 group's and parent 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; 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 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 about the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 by the parent charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identify and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
AGE UK MEDWAY (REGISTERED NUMBER: 06876354)**

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.



Mark Anthony Friend BSc FCA (Senior Statutory Auditor)
for and on behalf of Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

Date: 28th October 2021

AGE UK MEDWAY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	921,540	59,098	980,638	135,169
Charitable activities	6				
Day Centres		775,309	-	775,309	1,195,177
Home Care and Other Services		1,050,583	-	1,050,583	1,054,412
Carers Relief Service		14,718	-	14,718	-
Other trading activities	4	15,113	-	15,113	119,635
Investment income	5	1,741	-	1,741	4,674
Other income	7	100,096	-	100,096	11,828
Total		2,879,100	59,098	2,938,198	2,520,895
EXPENDITURE ON					
Charitable activities	8				
Day Centres		944,044	3,795	947,839	1,066,462
Home Care and Other Services		963,309	18,716	982,025	929,272
Administration		555,219	6,919	562,138	481,009
Carers Relief Service		40,243	-	40,243	-
Fundraising		24,401	-	24,401	96,372
Total		2,527,216	29,430	2,556,646	2,573,115
NET INCOME/(EXPENDITURE)		351,884	29,668	381,552	(52,220)
Transfers between funds	21	10,395	(10,395)	-	-
Net movement in funds		362,279	19,273	381,552	(52,220)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,174,860	56,405	1,231,265	1,283,485
TOTAL FUNDS CARRIED FORWARD		1,537,139	75,678	1,612,817	1,231,265

CONTINUING OPERATIONS

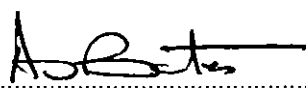
There were no unrecognised gains or losses other than the surplus/deficit for the year. The accompanying accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET
31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	15	344,474	-	344,474	377,415
CURRENT ASSETS					
Stocks		748	-	748	-
Debtors	17	140,450	-	140,450	124,070
Investments	18	100,000	-	100,000	280,000
Prepayments and accrued income		225,149	-	225,149	119,975
Cash at bank and in hand		939,716	75,678	1,015,394	506,522
		1,406,063	75,678	1,481,741	1,030,567
CREDITORS					
Amounts falling due within one year	19	(102,047)	-	(102,047)	(119,938)
NET CURRENT ASSETS		1,304,016	75,678	1,379,694	910,629
TOTAL ASSETS LESS CURRENT LIABILITIES		1,648,490	75,678	1,724,168	1,288,044
ACCRUALS AND DEFERRED INCOME	20	(111,351)	-	(111,351)	(56,779)
NET ASSETS		1,537,139	75,678	1,612,817	1,231,265
FUNDS	21				
Unrestricted funds				1,537,139	1,174,860
Restricted funds				75,678	56,405
TOTAL FUNDS				1,612,817	1,231,265

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 28th October 2021 and were signed on its behalf by:


 A J Bates - Trustee

CHARITY BALANCE SHEET
31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	15	344,071	-	344,071	376,923
Investments	16	10,000	-	10,000	10,000
		354,071	-	354,071	386,923
CURRENT ASSETS					
Debtors	17	140,450	-	140,450	124,070
Investments	18	100,000	-	100,000	280,000
Prepayments and accrued income		224,999	-	224,999	119,900
Cash at bank and in hand		923,491	75,678	999,169	476,957
		1,388,940	75,678	1,464,618	1,000,927
CREDITORS					
Amounts falling due within one year	19	(101,342)	-	(101,342)	(116,975)
NET CURRENT ASSETS		<u>1,287,598</u>	<u>75,678</u>	<u>1,363,276</u>	<u>883,952</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,641,669	75,678	1,717,347	1,270,875
ACCRUALS AND DEFERRED INCOME	20	(107,393)	-	(107,393)	(54,849)
NET ASSETS		<u>1,534,276</u>	<u>75,678</u>	<u>1,609,954</u>	<u>1,216,026</u>
FUNDS					
Unrestricted funds	21			1,534,276	1,159,621
Restricted funds				75,678	56,405
TOTAL FUNDS				<u>1,609,954</u>	<u>1,216,026</u>

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 28th October 2021 and were signed on its behalf by:



A J Bates - Trustee

AGE UK MEDWAY

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>334,636</u>	<u>45,979</u>
Net cash provided by operating activities		<u>334,636</u>	<u>45,979</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,395)	(41,797)
Sale of tangible fixed assets		2,890	11,450
Payment for acquisition of subsidiary		-	24,601
Interest received		<u>1,741</u>	<u>4,674</u>
Net cash used in investing activities		<u>(5,764)</u>	<u>(1,072)</u>
Cash flows from financing activities			
Current asset investments		<u>180,000</u>	<u>(180,000)</u>
Net cash provided by/(used in) financing activities		<u>180,000</u>	<u>(180,000)</u>
Change in cash and cash equivalents in the reporting period		508,872	(135,093)
Cash and cash equivalents at the beginning of the reporting period		<u>506,522</u>	<u>641,615</u>
Cash and cash equivalents at the end of the reporting period		<u>1,015,394</u>	<u>506,522</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net Income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	381,552	(52,220)
Adjustments for:		
Depreciation charges	34,657	46,047
Loss/(profit) on disposal of fixed assets	5,789	(10,450)
Interest received	(1,741)	(4,674)
Stock movement	(748)	-
Other Income	-	(11,828)
(Increase)/decrease in debtors	(121,554)	36,702
Increase in creditors	36,681	42,402
Net cash provided by operations	<u>334,636</u>	<u>45,979</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	<u>506,522</u>	<u>508,872</u>	<u>1,015,394</u>
	<u>506,522</u>	<u>508,872</u>	<u>1,015,394</u>
Liquid resources			
Current asset investments	<u>280,000</u>	<u>(180,000)</u>	<u>100,000</u>
	<u>280,000</u>	<u>(180,000)</u>	<u>100,000</u>
Total	<u>786,522</u>	<u>328,872</u>	<u>1,115,394</u>

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

1. STATUTORY INFORMATION

Age UK Medway is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The company is registered in England and Wales, Registered Number 06876354 and its registered office is The Admiral's Office, Main Gate Road, Chatham Historic Dockyard, Chatham, Kent, ME4 4TZ.

The presentation currency of the financial statements is the Pound Sterling (£). Figures are rounded to the nearest pound.

2. ACCOUNTING POLICIES

Basis of preparation

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)', the 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

No material uncertainties that may cast doubt about the ability of the charity to continue as a going concern have been identified by the trustees.

Basis of consolidation

The group financial statements consolidated the financial statements of the charitable company and its subsidiary undertaking, Kent & Medway Trading Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Recognition of Income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resource, it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.

In addition, income from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and the company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.

For the rendering of services the percentage of completion method is used to calculate the income recognised at the period end unless services are performed by an indeterminate number of acts over a specified period of time, in which circumstance income is recognised on a straight-line basis over the specified period.

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts.

Government grants

The charity has received government grants during the year. Income from government and other grants, whether 'capital' grants or 'revenue' grants, are recognised using the performance model. Grants are therefore recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

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

2. ACCOUNTING POLICIES - continued

Donations

Donations are included in the Statement of Financial Activities when the general income recognition criteria are met.

Volunteers' contribution

The contribution from volunteers has not been included in the Statement of Financial Activities as the value of their contribution cannot be reliably quantified in financial terms.

Gift Aid

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Membership subscriptions

Membership subscriptions received give a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

Expenditure and liabilities

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.

Allocation and apportionment of costs

All support costs are allocated directly to the Charitable Activities which they support. Whilst a minimal amount of support costs could be allocated to governance costs, it is not considered appropriate for such an allocation to be made due to the cost involved in doing so and since there would be no impact on the true and fair view of the accounts produced.

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% - 5% on cost
Short leasehold	- straight line over lease term
Fixtures and fittings	- 20% - 33% on cost
Motor vehicles	- 20% on cost
Office equipment	- 33% on cost and 20% on cost

Fixed assets costing less than £500 are not capitalised but are treated as expensed in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Regular impairment reviews are carried out to ensure that fixed assets are recorded in the financial statements at no more than their recoverable amount. Any resulting impairment loss is measured and recognised on a consistent basis.

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds are funds which are expended at the discretion of the trustees in furtherance of the objects of the charity.

Restricted funds are funds subject to specific trusts, which may only be expended in accordance with the conditions imposed by the donors.

Pension costs and other post-retirement benefits

The charity operates defined benefit contribution schemes covering the majority of its permanent employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity to the funds.

Financial instruments

Basic financial assets/liabilities including trade and other receivables/payables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over period of time) where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets/liabilities are subsequently carried at amortised cost using the effective interest method.

Current asset investments

Fixed term deposits are classified as current asset investments and not as cash at bank and in hand due to restrictions over when the cash can be withdrawn.

Such amounts are classified as current asset investments and not fixed asset investments due to the amounts being withdrawn on maturity and therefore not used on a continuing basis.

Fixed asset investments

Investments in subsidiary undertakings are recognised at cost.

Key judgements

In preparing these financial statements, the trustees have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Employee Benefits

All employee benefit costs to which employees have become entitled as a result of service rendered to the entity during the reporting period are recognised as an expense, unless the financial reporting standard requires the cost to be recognised as part of the cost of an asset, or as a liability, after deducting amounts that have been paid either directly to the employees or as a contribution to an employee benefit fund. If the amount paid exceeds the obligation arising from service before the reporting date, the excess is recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets held under finance lease and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

3. DONATIONS AND LEGACIES

	2021 £	2020 £
Donations	337,016	27,470
Gift aid	945	233
Grants	<u>642,677</u>	<u>107,466</u>
	<u>980,638</u>	<u>135,169</u>

4. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Fundraising events	(975)	30,683
Insurance commission	525	88,952
Activity packs	655	-
Subsidiary trading income	<u>14,908</u>	<u>-</u>
	<u>15,113</u>	<u>119,635</u>

5. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	<u>1,741</u>	<u>4,674</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Day Centre attendance contribution	Day Centres	530,780	1,077,666
Other Day Centre income	Day Centres	244,529	117,511
Medway Council	Home Care and Other Services	393,342	369,632
Private clients	Home Care and Other Services	657,241	684,780
Medway Council	Carers Relief Service	3,217	-
Private clients	Carers Relief Service	<u>11,501</u>	<u>-</u>
		<u>1,840,610</u>	<u>2,249,589</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

7. OTHER INCOME

	2021 £	2020 £
Insurance claims	94,872	-
Surgical mask recharges	5,224	-
Other income	-	11,828
	<u>100,096</u>	<u>11,828</u>

8. CHARITABLE ACTIVITIES COSTS

	2021 £	2020 £
Day Centres		
Staff costs	625,121	696,207
Staff expenses and welfare	9,703	34,931
Establishment costs	75,050	84,160
Minibus and transport costs	105,522	109,044
Purchases	56,568	68,966
Other costs	75,875	73,154
	<u>947,839</u>	<u>1,066,462</u>
Home Care and other services		
Staff costs	869,554	819,093
Staff expenses and welfare	53,698	58,775
Establishment costs	19,950	18,803
Minibus and transport costs	4,228	2,985
Purchases	2,416	1,676
Other costs	32,179	27,940
	<u>982,025</u>	<u>929,272</u>
Support Costs		
Staff costs	408,069	330,224
Staff expenses and welfare	5,609	13,422
Establishment costs	59,358	54,363
Minibus and transport costs	84	40
Auditor's remuneration for non-audit services	5,756	5,156
Auditor's remuneration	4,600	4,600
Other costs	78,662	73,204
	<u>562,138</u>	<u>481,009</u>
Carers Relief Service		
Staff costs	31,944	-
Staff expenses and welfare	285	-
Establishment costs	110	-
Purchases	15	-
Other costs	7,889	-
	<u>40,243</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

8. CHARITABLE ACTIVITIES COSTS - continued

	2021 £	2020 £
Fundraising Costs		
Staff costs	21,650	92,753
Auditor's remuneration for non-audit services	1,930	2,469
Other costs	<u>821</u>	<u>1,150</u>
	<u>24,401</u>	<u>96,372</u>

9. SUPPORT COSTS

	Governance costs £
Charitable activities	<u>12,286</u>

Activity **Basis of allocation**
Governance costs **All support costs are allocated to charitable activities.**

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

Governance costs	2021 £	2020 £
Auditor's remuneration	4,900	4,600
Bus Service Operators Grant auditor's certification	480	480
Auditor's remuneration for non-audit work	<u>6,906</u>	<u>7,145</u>
	<u>12,286</u>	<u>12,225</u>

10. NET INCOME/(EXPENDITURE)

Net resources are stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	34,657	46,047
Deficit / (Surplus) on disposal of fixed assets	<u>5,789</u>	<u>(10,450)</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

During the year ended 31 March 2021 the trustees were re-imbursed £Nil (2020: £Nil) in relation to expenses.

During the year ended 31 March 2021 one trustee made total donations to the charity of £1,000 (2020: £500).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,774,673	1,759,557
Social security costs	103,419	99,043
Pension costs	<u>78,246</u>	<u>79,677</u>
	<u>1,956,338</u>	<u>1,938,277</u>

The average monthly number of employees in the year was:

	2021	2020
Day Centres	43	52
Home Care and other services	60	58
Fundraising	1	5
Administration	<u>14</u>	<u>13</u>
	<u>118</u>	<u>128</u>

The number of employees who received emoluments (excluding pension contributions) in excess of £60,000, shown in bands of £10,000, are as follows:

	2021	2020
Between £60,000 and £70,000	<u>1</u>	<u>1</u>

13. EX GRATIA PAYMENTS

During June 2021, each employee of the charity was paid an additional £150 on top of their normal salary as recognition for the significant contribution that they had made to the charity during the course of the Covid 19 pandemic. The additional £25,000 has been accrued in the 31 March 2021 financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	135,169	-	135,169
Charitable activities			
Day Centres	1,195,177	-	1,195,177
Home Care and Other Services	1,054,412	-	1,054,412
Other trading activities	119,635	-	119,635
Investment income	4,674	-	4,674
Other Income	11,828	-	11,828
Total	2,520,895	-	2,520,895
EXPENDITURE ON			
Charitable activities			
Day Centres	1,066,462	-	1,066,462
Home Care and Other Services	929,272	-	929,272
Administration	481,009	-	481,009
Fundraising	96,372	-	96,372
Total	2,573,115	-	2,573,115
NET INCOME/(EXPENDITURE)	(52,220)	-	(52,220)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,227,080	56,405	1,283,485
TOTAL FUNDS CARRIED FORWARD	1,174,860	56,405	1,231,265

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

15. GROUP TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £
COST			
At 1 April 2020	360,344	39,134	117,462
Additions	-	-	-
Disposals	-	(3,250)	-
At 31 March 2021	360,344	35,884	117,462
DEPRECIATION			
At 1 April 2020	52,564	28,868	99,527
Charge for year	8,853	3,044	9,447
Eliminated on disposal	-	(903)	-
At 31 March 2021	61,417	31,009	108,974
NET BOOK VALUE			
At 31 March 2021	298,927	4,875	8,488
At 31 March 2020	307,780	10,266	17,935
	Motor vehicles £	Office equipment £	Totals £
COST			
At 1 April 2020	214,427	74,657	806,024
Additions	-	10,395	10,395
Disposals	(66,563)	-	(69,813)
At 31 March 2021	147,864	85,052	746,606
DEPRECIATION			
At 1 April 2020	179,137	68,513	428,609
Charge for year	8,808	4,505	34,657
Eliminated on disposal	(60,231)	-	(61,134)
At 31 March 2021	127,714	73,018	402,132
NET BOOK VALUE			
At 31 March 2021	20,150	12,034	344,474
At 31 March 2020	35,290	6,144	377,415

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

15. CHARITY TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold £	Fixtures and fittings £
COST			
At 1 April 2020	360,344	39,134	117,462
Additions	-	-	-
Disposals	-	(3,250)	-
At 31 March 2021	360,344	35,884	117,462
DEPRECIATION			
At 1 April 2020	52,564	28,868	99,527
Charge for year	8,853	3,044	9,447
Eliminated on disposal	-	(903)	-
At 31 March 2021	61,417	31,009	108,974
NET BOOK VALUE			
At 31 March 2021	298,927	4,875	8,488
At 31 March 2020	307,780	10,266	17,935
	Motor vehicles £	Office equipment £	Totals £
COST			
At 1 April 2020	214,427	74,057	805,424
Additions	-	10,395	10,395
Disposals	(66,563)	-	(69,813)
At 31 March 2021	147,864	84,452	746,006
DEPRECIATION			
At 1 April 2020	179,137	68,405	428,501
Charge for year	8,808	4,416	34,568
Eliminated on disposal	(60,231)	-	(61,134)
At 31 March 2021	127,714	72,821	401,935
NET BOOK VALUE			
At 31 March 2021	20,150	11,631	344,071
At 31 March 2020	35,290	5,652	376,923

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

16. CHARITY FIXED ASSET INVESTMENTS

	Shares in group undertaking £
COST LESS IMPAIRMENT	
At 1 April 2020 and 31 March 2021	<u>10,000</u>
NET BOOK VALUE	
At 31 March 2021	<u>10,000</u>
At 31 March 2020	<u>10,000</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Kent & Medway Trading Company Ltd

Registered office: Age Uk Medway Admiral's Offices, Main Gate Road, The Historic Dockyard,
 Chatham, Kent, England, ME4 4TZ

Nature of business: Commercial trading

Class of share:	%
Ordinary	holding 100

The investment in the subsidiary, Kent & Medway Trading Ltd represents 100% of the company's share capital. A summary of the trading results is shown below.

Profit & loss account	2021
	£
Income	15,436
Expenditure	<u>(24,401)</u>
Net profit	<u>(8,965)</u>
Balance sheet	2021
	£
Fixed assets	403
Current assets	17,123
Current liabilities	<u>(4,663)</u>
Net assets	<u>12,863</u>

There are no investments that fall outside of the group.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	132,051	114,678	132,051	114,678
Other debtors	<u>8,399</u>	<u>9,392</u>	<u>8,399</u>	<u>9,392</u>
	<u>140,450</u>	<u>124,070</u>	<u>140,450</u>	<u>124,070</u>

18. CURRENT ASSET INVESTMENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank deposits	<u>100,000</u>	<u>280,000</u>	<u>100,000</u>	<u>280,000</u>

The current asset investments of £100,000 (2020: £280,000) are short-term fixed deposits.

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	28,203	19,826	27,498	19,354
Credit card	4,151	9,405	4,151	8,611
P.A.Y.E	23,736	28,980	23,736	27,283
Other creditors	11,251	16,958	11,251	16,958
Pension fund	6,415	6,728	6,415	6,728
Age Concern Gillingham	<u>28,291</u>	<u>38,041</u>	<u>28,291</u>	<u>38,041</u>
	<u>102,047</u>	<u>119,938</u>	<u>101,342</u>	<u>116,975</u>

20. ACCRUALS AND DEFERRED INCOME

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Accruals and deferred income	<u>111,351</u>	<u>56,779</u>	<u>107,393</u>	<u>54,849</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

21. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General Fund	344,937	399,986	(56,855)	688,068
Redundancy Fund	223,000	(36,134)	18,134	205,000
Fixed Asset Fund	376,923	-	(32,852)	344,071
Fixed Asset Replacement Fund	50,000	-	-	50,000
New Services Development Fund	150,000	-	-	150,000
Information and Advice	30,000	(11,968)	(18,032)	-
Crisis Response Fund	-	-	100,000	100,000
	<u>1,174,860</u>	<u>351,884</u>	<u>10,395</u>	<u>1,537,139</u>
Restricted funds				
Get Well Stay Well Fund	44,888	-	-	44,888
Dementia Project Fund	11,517	-	-	11,517
KCC Infection Control Fund	-	72	-	72
CVS Medway Test Bed Fund	-	219	-	219
Age UK Covid Appeal Fund	-	10,395	(10,395)	-
MC Infection Control Fund	-	18,982	-	18,982
	<u>56,405</u>	<u>29,668</u>	<u>(10,395)</u>	<u>75,678</u>
TOTAL FUNDS	<u>1,231,265</u>	<u>381,552</u>	<u>-</u>	<u>1,612,817</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	2,878,205	(2,478,219)	399,986
Redundancy Fund	-	(36,134)	(36,134)
Information and Advice	895	(12,863)	(11,968)
	<u>2,879,100</u>	<u>(2,527,216)</u>	<u>351,884</u>
Restricted funds			
KCC Infection Control Fund	3,532	(3,460)	72
CVS Medway Test Bed Fund	1,428	(1,209)	219
Age UK Covid Appeal Fund	16,652	(6,257)	10,395
MC Infection Control Fund	37,486	(18,504)	18,982
	<u>59,098</u>	<u>(29,430)</u>	<u>29,668</u>
TOTAL FUNDS	<u>2,938,198</u>	<u>(2,556,646)</u>	<u>381,552</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/20 £
Unrestricted funds				
General Fund	353,415	(30,380)	21,902	344,937
Redundancy Fund	261,000	-	(38,000)	223,000
Fixed Asset Fund	382,665	-	(5,742)	376,923
Fixed Asset Replacement Fund	50,000	-	-	50,000
New Services Development Fund	150,000	-	-	150,000
Information and Advice	<u>30,000</u>	<u>(21,840)</u>	<u>21,840</u>	<u>30,000</u>
	1,227,080	(52,220)	-	1,174,860
Restricted funds				
Get Well Stay Well Fund	44,888	-	-	44,888
Dementia Project Fund	<u>11,517</u>	<u>-</u>	<u>-</u>	<u>11,517</u>
	<u>56,405</u>	<u>-</u>	<u>-</u>	<u>56,405</u>
TOTAL FUNDS	<u>1,283,485</u>	<u>(52,220)</u>	<u>-</u>	<u>1,231,265</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	2,500,739	(2,531,119)	(30,380)
Information and Advice	<u>20,156</u>	<u>(41,996)</u>	<u>(21,840)</u>
	<u>2,520,895</u>	<u>(2,573,115)</u>	<u>(52,220)</u>
TOTAL FUNDS	<u>2,520,895</u>	<u>(2,573,115)</u>	<u>(52,220)</u>

Unrestricted funds

The general fund includes income from grants, fundraising home care and day centre activities.

The redundancy reserve fund has been set up to identify those funds which would be required to meet the charitable company's statutory redundancy obligations in the event of its ceasing operation.

The fixed asset fund has been set up to assist in identifying those funds which are not free funds and represent the net book value of tangible fixed assets less any related loan finance.

The fixed asset replacement fund has been set up to identify those funds which will be required to purchase new assets for the charitable company within one year.

21. MOVEMENT IN FUNDS - continued

The new services development fund has been set up to set aside a predetermined level of funds for the development of potential new projects or services.

The crisis response fund is set up to recognise the changing context in which the charity finds itself operating, and has been designed to support future emergencies such as the global pandemic seen across 2020/ 2021. Although pandemics of this nature are alleged 100 year events, the impact on the charities beneficiaries has been huge, and has meant drastic changes to income levels as well as changes to established models of working which mean the charity may take some time to re-build to previous levels of income. The crisis response fund provides a financial cushion for anticipated future deficits which might arise due to the long process of building back to former levels of income.

Restricted funds

The Get Well Stay Well fund (formerly the Home from Hospital scheme) is intended to operate within the grant funding provided by Medway Primary Care Trust and commissioned by Medway Council. Transfers from the fund to general reserves represents the allocation of the costs of managing the fund. The scheme is on hold until sufficient funding is secured to employ a coordinator for the service.

The Dementia Project fund was given following the closure of a local charity (St Nicholas's), with its trustees asking that the funds be expended for the purposes of support for charitable work with dementia clients. To date, some funds have been expended to replace the minibus allocated to the Capstone project (dementia centre), and the remaining funds will reside in the restricted fund until fully expended by the dementia services of the charity.

The infection control funds are restricted funds to support additional costs for infection control during the pandemic and aftermath, and will be expended as per the restrictions.

The test bed fund is a grant received following a bid, and the fund will be expended in line with the project outline.

The third payment from the national covid appeal fund was provided to a tailored bid and will be expended within the project bid outline.

Restricted funds are represented by cash at bank or on deposit. The unrestricted funds are represented by the remaining assets of the charitable company.

22. EMPLOYEE BENEFIT OBLIGATIONS

The group operates a defined contribution scheme. The pension costs charge consists of contributions payable to the funds of £78,246 (2020: £79,677). Contributions of £6,415 (2020: £6,728) were outstanding at the end of the period.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

23. OTHER FINANCIAL COMMITMENTS

The following operating lease payments are committed to be paid:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Within one year	146,039	178,202	146,039	178,202
Between one and five years	177,714	303,053	177,714	303,053
In more than five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>323,753</u>	<u>481,255</u>	<u>323,753</u>	<u>481,255</u>

24. RELATED PARTY DISCLOSURES

At 31 March 2021 the charitable company owed £28,291 (2020: £38,041) to Age Concern Gillingham, a charitable company under common control. Age UK Medway and Age Concern Gillingham are both separate charities in their own rights but have the same trustees, Chief Executive and Chairman. Age Concern Gillingham is a charity shop that provides much needed unrestricted income for Age UK Medway.

During the year under review, the charitable company received donations without conditions of £1,000 (2020: £15,500) from related parties and trustees, of which £1,000 (2020: £500) relates to trustee donations as detailed in note 11 of the financial statements.

25. POST BALANCE SHEET EVENTS

During October 2020, Age UK Medway were notified that they had been included in a will for a legacy payment. The charity were not aware of the amount of the legacy until probate was completed in April 2021 and it was confirmed that they would receive £25,000. This amount will be included in donations received in the financial statements for the year ended 31 March 2022.

On the 14th July 2021, the charity completed the sale of the Strood Day Centre for £280,000. The Day Centre is included within freehold property at historical cost less depreciation with a net book value of £85,300 as at 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

26. FINANCIAL INSTRUMENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>1,447,500</u>	<u>993,765</u>	<u>1,431,125</u>	<u>964,125</u>
	<u>1,447,500</u>	<u>993,765</u>	<u>1,431,125</u>	<u>964,125</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>213,398</u>	<u>176,711</u>	<u>208,735</u>	<u>171,818</u>
	<u>213,398</u>	<u>176,711</u>	<u>208,735</u>	<u>171,818</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, current asset investments, fixed asset investments and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and social securities.

27. KEY MANAGEMENT PERSONNEL

Key management includes the trustees and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Salaries and other short-term benefits	<u>216,445</u>	<u>197,601</u>	<u>203,133</u>	<u>148,467</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

28. GOVERNMENT GRANTS

Government grants received were as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bus Service Operator	8,414	7,830	8,414	7,830
Apprenticeship scheme	500	500	500	500
Furlough and SPP	112,229	-	112,229	-
Kent County Council infection control	3,532	-	3,532	-
Medway Council infection control	37,486	-	37,486	-
Covid 19 rates support	-	10,000	-	10,000
	<u>162,161</u>	<u>18,330</u>	<u>162,161</u>	<u>18,330</u>

29. CARERS RELIEF SERVICE

On 28th February 2021, the charitable objects of Carers Relief Service (CRS) were transferred to Age UK Medway. As part of this transfer, the charity acquired the net assets and liabilities of CRS and this £243,000 is included in donations in the 31 March 2021 financial statements. Further details can be found in the Chief Executive's report on page 4 of the financial statements.

AGE UK MEDWAY

CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	337,016	27,470
Gift aid	945	233
Grants	<u>642,677</u>	<u>107,466</u>
	980,638	135,169
Other trading activities		
Fundraising events	(975)	30,683
Insurance commission	525	88,952
Activity packs	655	-
Subsidiary trading income	<u>14,908</u>	<u>-</u>
	15,113	119,635
Investment income		
Deposit account interest	1,741	4,674
Charitable activities		
Day Centre attendance contribution	530,780	1,077,666
Other Day Centre income	244,529	117,511
Medway Council	396,559	369,632
Private clients	<u>668,742</u>	<u>684,780</u>
	1,840,610	2,249,589
Other income		
Insurance claims	94,872	-
Surgical mask recharges	5,224	-
Other income	<u>-</u>	<u>11,828</u>
	100,096	11,828
Total incoming resources	2,938,198	2,520,895
EXPENDITURE		
Charitable activities		
Wages and social security	1,878,092	1,858,600
Pensions	78,246	79,677
Other staff costs	69,295	107,128
Establishments costs	154,468	157,634
Minibus and transport costs	109,835	113,676
Purchases	59,643	66,265
Other costs	154,335	142,313
Depreciation of tangible fixed assets	34,657	46,047
Profit on sale of tangible f a	<u>5,789</u>	<u>(10,450)</u>
	2,544,360	2,560,890

This page does not form part of the statutory financial statements

AGE UK MEDWAY

**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Support costs		
Governance costs		
Auditors' remuneration	4,900	4,600
Auditors' remuneration for non audit work	7,386	<u>7,625</u>
	12,286	<u>12,225</u>
Total resources expended	2,556,646	<u>2,573,115</u>
Net income/(expenditure)	381,552	<u>(52,220)</u>