Company registration number: 07540805
Charity registration number: 1141415

Age UK South Lakeland Ltd

known as

Age UK South Lakeland

(A company limited by guarantee)

Annual Report and Financial Statements

for the Age UK South Lakeland Ltd Group

for the Year Ended 31 March 2021

Stables Thompson & Briscoe
Chartered Accountants & Statutory Auditors
Lowther House
Lowther Street
Kendal
Cumbria
LA9 4DX

Age UK South Lakeland Ltd

known as Age UK South Lakeland

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Age UK South Lakeland Ltd

known as Age UK South Lakeland

Reference and Administrative Details

Chairman	P A Smith
Chief Executive	H Tomlinson
Trustees	S Flynn M French J McLeod S Newell P A Smith C Twist
Senior Management Team	P Lewis, Deputy Chief Executive J O'Brien, Head of Retail/Income Generation H Kitching, Client Services Manager J Sunderland, Finance Manager P Whiteley, Partnerships Development Manager
Principal Office	17 Finkle Street Kendal Cumbria LA9 4AB
Registered Office	17 Finkle Street Kendal Cumbria LA9 4AB The charity is incorporated in England.

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Reference and Administrative Details

Company Registration Number	07540805
Charity Registration Number	1141415
Solicitors	Thomson Hayton Winkley 114-116 Stricklandgate Kendal Cumbria LA9 4QA
Bankers	Barclays Bank PLC 9 Highgate Kendal Cumbria LA9 4DF
Auditor	Stables Thompson & Briscoe Chartered Accountants & Statutory Auditors Lowther House Lowther Street Kendal Cumbria LA9 4DX

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Trustees during the year

S Flynn

M French

P S May (resigned 13 October 2020)

J McLeod

S Newell

P A Smith

C Twist

Objectives and activities

Objects and aims

The trustees of Age UK South Lakeland consider their purpose is to govern an organisation that exists to improve the lives of older people in South Lakeland.
Our ambition is that in South Lakeland everyone in later life:
- Has a decent income
- Can feel well and enjoy life as much as possible
- Can access high quality health and care services
- Feels comfortable, safe and secure at home
- Feels valued by their local community with opportunities to join, volunteer, learn or work
- As a citizen with rights, has their voice heard and can influence decisions that affect them

Our strategy as we work toward this ambition over the next three years is to work with and for older people in order to:
- Provide information, advice and assistance that helps people to access benefits and exercise choice to make best use of their resources and improve their experience of daily life
- Help build stronger communities that increase people's social contact and wellbeing
- Support the development of more responsive health and welfare services that offer people holistic and timely services reflecting their needs and circumstances
- Help the voices of older people and their lived experience to be heard
- Generate independent income streams that enable us to invest in activity which is not a current public sector priority

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Trustees' Report

Objectives, strategies and activities

Our ambition cannot be achieved only by our action within South Lakeland. We will continue to work with and through Age UK nationally, with whom we are Brand Partners and have a shared overall strategy. We will also work with the other Age UK groups and any other partners across Cumbria who share our ambition.
As we develop our annual business plans which set out our actions to deliver our strategy, we will:
- Gather and use evidence
- Involve older people
- Respond to the particular challenges of dispersed and rural communities in South Lakeland
- Develop partnerships and the means for strong collaboration within the third sector and with statutory organisations
- Seek to ensure that our input contributes to lasting improvements for individuals and their communities

We have adopted a set of values which should be evident to older people, our staff, our volunteers and our partners in all aspects of our work. They are to:
- Be respectful
- Be inclusive
- Be positive
- Be realistic
- Be empowering
- Make a difference in people's lives

Fundraising disclosures

Age UK South Lakeland follows the Age UK Fundraising Charter which has been developed with our donors and older people in mind and does not use professional fundraisers or involve commercial participators. There have been no complaints about fundraising activity this year. Further details can be found at https://www.ageuk.org.uk/get-involved/fundraise/fundraising-charter/.

Public benefit

The charity works with local older people to help them retain their independence and exercise real choice in their lives.
We aim to do this by:
- delivering services that help to meet the needs of older people and fit with the other local services in the communities in which they live;
- informing and advising older people of their rights and options;
- advocating for and on behalf of older people on issues which matter to them as individuals or communities, consistently and constantly to ensure we fully understand their needs.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The financial year, 1st of April 2020 to the 31st of March 2021 could best be described as a very uncertain year. The charity's ability to generate surplus revenues via our retailing activities was severely curtailed by the various lock downs and restrictions and the charity's ability to provide core services to the older people of the district was also made very difficult due to the various restrictions.

At the beginning of April, the charity was continuing to deliver a range of emergency measures, delivering basic but much needed support to our older clients who were self-isolating due to medical conditions or to those whose support network had been compromised due to lockdown. As the first lockdown period came to an end, we noted an immediate bounce back by many of our older clients wishing to regain their independence and the reliance on the emergency support measures diminished very quickly.

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Trustees' Report

Throughout the year the service delivery team continued to provide our core services, albeit in a modified format that enabled us to remain compliant with the current operational guidelines. Significantly this meant that the full Compass assessment process normally undertaken in the client's home could not for the most part be delivered. During the year we delivered 3,049 information, advice and support cases via our Helpline and officer team. We also delivered 2,648 more complex cases that in more normal times would have been Compass cases including multiple home visits.

Notwithstanding the stop go nature of the year, the team did manage to deliver 541 full Compass cases in the brief periods the home visits were allowed within the guidelines. These Compass cases including home visits were always undertaken with the client's full consent and full agreement and using all the current PPE and social distancing protocols.

Up to the phased lifting of lockdown with non-essential shops opening on the 15th of June, the charity undertook 501 shopping trips for older people directly and supported several volunteer groups to deliver shopping services across the district. We provided access to our MARS referral system and a simple but safe payment system, enabling older people to pay for their shopping in a Covid safe and secure way. During the same period, we also undertook 442 prescription collections. During the first few days of lockdown we saw long queues forming outside many pharmacies, with many older people standing in the cold and rain for several hours waiting to pick up their prescriptions.

In the same period, we also provided several other services, including a hospital transport service to ensure our older and most vulnerable clients could keep their important hospital appointments, a hearing aid battery home delivery service and a book delivery service. All the services were well used and appreciated by those that needed them. All of the service provision described above could not have been delivered without the support of our fantastic volunteers who stepped up to the mark at a time when they were really needed.

During this first period of lockdown the whole of the retail team was placed on furlough, however most of the services staff remained in post and adapted their working procedures to comply with the lockdown restrictions. As home visits were not allowed, the team undertook the initial assessments by phone and delivered as complete a service as the restrictions would allow. The team were either working on the emergency measures or providing our core services where they could. The core services became very difficult to deliver when it required the involvement of central or local government services as many became difficult or impossible to contact.

It was clear from the beginning of the pandemic that the short term future was going to be very difficult, we planned for the worst and sought to remain as functional as possible whilst working within the restrictions and guidelines. Our income generation via our retail arm was significantly compromised, with, as it transpired, three full lockdowns.

The senior managers focussed on identifying sources of funding to support the charity. Some grants became available for charities providing services supporting people during the pandemic and others were focussed on helping charities survive the financial difficulties caused by pandemic. Other grants remained available for specific project work. Against the backdrop of increased competition for all grants, the charity managed to secure £574,545 of grant funding to support our continued service delivery work and help maintain the charity's infrastructure.

The grant income achieved plus the furlough payments and local government support grants along with the significant reductions made in expenditure has meant that the charity can face the next potentially very difficult year in reasonable financial shape.

Financial review

The Group maintained the same level of income despite the effect of Covid-19 on retail due to government grant support and the efforts of the management team in securing funding for services from other sources. In fact income overall was up £15,171 on last year. Expenditure on raising funds was down by £139,533 and on charitable activities by £169,267 as Covid-19 delayed several projects and restricted activity. In addition the loss in the market value of the investments last year of £51,018 reversed this year, increasing the value of investments by £85,979 giving net income for the year of £334,325 compared to a deficit last year of £126,643. Restricted funds increased by £28,848 and unrestricted funds by £305,477 so that there were restricted funds of £42,772 to carry into next year and unrestricted funds of £1,362,468.

Policy on reserves

The Trustees maintain reserves, which are Charity funds to be realised at short notice if required. Should the funds fall below the agreed level, immediate steps would be taken to reinstate them by cutting project expenditure. Property values are not taken into account in calculating these reserves.

The Trustees review the reserves on an annual basis, and for the year 2020/21 considered £400,000 to be a reasonable holding.

In reviewing the level for the year 2020/21 the Trustees accounted for the following:
- Normal day to day fluctuations in working capital and cash flow.
Three months of salary and rental obligations based on the 2020/21 budget were considered an appropriate amount.
- Possible emergencies, such as cessation of trading at one of the retail units for the sale of donated goods or the loss of three months' sales for the Kendal Furniture Warehouse.

As at 31 March 2021, the charity as a group held funds totalling £1,405,240 of which £568,154 was held as tangible and intangible assets and £97,399 was the planned investment in services for 2021/22. This left £739,687 of which £42,772 represented restricted funds, £90,000 set aside for required investment in infrastructure and £400,000 the core holding so that free reserves had increased in the year from £57,231 to £206,915.

This is in line with the charity's objective of providing services while maintaining sufficient reserves.

Principal funding sources

The charity obtains funding for its charitable activities from a range of funders including the Big Lottery and Age UK. It also aims to improve funding from it's range of charity shops to supplement these sources of funding and self support projects where other funding may not be available.

Investment policy and objectives

Sanlam Private Investments manage the organisation's investment portfolio on behalf of the Trustees. The Trustees review investment performance every six months and receive reports from the investment company every quarter. The Trustees consider that the guiding principle of the agreed investment policy is to generate funds for the Charity, but that they will not invest in a particular business in the following circumstances:
- Where such investment might conflict with the aims, objectives or activities of the Charity.
- Where such investment might hamper the work of Age UK South Lakeland by alienating actual or potential financial supporters.

Impact of COVID 19

In response to the immediate financial impact of the Covid 19 pandemic, the board of Trustees and senior managers of the charity made provisions to ensure the charity could continue to provide key services and deliver a range of new services to support the most vulnerable and isolated older people in South Lakeland.

In more normal times the charity would use funds from the investment portfolio when appropriate to augment any shortfalls in operational funding. However, the onset of the pandemic saw a drop in the valuation of our investment portfolio from January 2020 of £631,917 to the reduced value in April 2020 of £497,255. The reduction was for the overall valuation of the investment portfolio and the interest earned from those investments.

The charity has been pursuing a policy of self-sustaining financial stability over the past six years and had reached the point where our retail division generated enough surplus to fund 65% of our services and support activities. The loss of our retail contribution due to lock down meant that we would need to access operational funds from other sources if we were to continue to support our clients in this time of real need.

The board of Trustees and senior managers considered that liquidating a proportion of the investment portfolio whilst the valuation was impacted by the pandemic was not an economically sound solution, it was considered that the valuation would recover over the following 12 to 24 months. The decision was therefore made to apply for a Coronavirus Business Interruption Loan Scheme (CBILS).

An application was made in April and a loan of £250,000 was secured in July. The repayment period is six years, there is an interest free period of 12 months and repayment of the principle sum started six months after the loan agreement. The interest rate on the loan is 2.28% above the Bank of England (current rate 0.10%).

To date, the Charity has not had the need to use any of the funds made available from the CBILS loan. In the period following April 2020, the valuation of the Charity's investment portfolio has recovered and since the year end has reached £601,671.

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee. The company took over the assets of the charity known as Age UK South Lakeland (charity number 508390) on 1 April 2011 and is now registered as charity number 1141415.

Age UK South Lakeland is an independent charity registered with the Charity Commission and governed by a group of trustees who have been elected by the membership of the charity.

The charity has been operating locally since April 1978.

Recruitment and appointment of trustees

The Chairman is elected for three years and shall not serve more than two consecutive terms of office. In accordance with the governing document the Trustees can co-opt up to one third of their number during the course of the reporting period. Co-opted trustees must be re-elected at the following AGM. One third of the board retires by rotation at each AGM and is eligible for re-election at that AGM.

Only one Trustee has served for longer than nine years. This appointment has been reviewed and it is felt that the value in terms of knowledge of the organisation and understanding of beneficiaries far outweighs any possible risks.

Induction and training of trustees

All new Trustees are offered the opportunity to meet with key staff in the organisation, and are given copies of Board of Trustees' minutes and papers for the past six months, the most recent Trustees' Annual Report and Accounts, a copy of the Constitution and CC3 - The Essential Trustee (Charity Commission).

The Board of Trustees have adopted the Charity Governance Code and use it to review Board performance and identify training needs.

Arrangements for setting key management personnel remuneration

In December 2017 a benchmarking exercise was undertaken by external consultants to set the salary levels for the senior management team. The intention is to repeat this benchmarking exercise on a regular basis.

Organisational structure

The charity and its subsidiaries are managed on a day to day basis by the Senior Management Team who report and meet with the Board of Trustees on a monthly basis. There is also a Finance Sub-Group who oversee budgeting and monitoring of management accounts and liaise with the auditors to produce the year end statutory accounts.

Risk Management

The Board of Trustees is responsible for the management of risks faced by the Charity. There is a formal annual review, but risks are identified and assessed and controls established throughout the year. Key controls during 2020/21 have included:
- Formal agendas for all committee and Board activity.
- Comprehensive strategic planning, budgeting and management accounting.
- Established organisational structures and lines of reporting.
- Clear authorisation and approval levels.
- Procedures as required by law for the protection of vulnerable adults and children.

The Board of Trustees is satisfied that major risks have been identified and measures are in place to ensure that they are adequately mitigated where necessary.

Relationships with related parties

Age UK
The charity is a brand partner with the national charity Age UK and is part of a network of more than 125 brand partners across England and local partners based in Wales, Northern Ireland and Scotland.

As a brand partner with Age UK the trustees have agreed to deliver a local information and advice service working with older people. This is part of a wider range of information, advice and practical support services.

Age UK South Lakeland Trading CIC
The charity set up a wholly owned subsidiary to take over and develop the small amount of trading done in new goods. The subsidiary started trading on 1 January 2017 and remits all profits made to the parent company by gift aid.

Charitek CIC
Towards the end of the year the charity set up another subsidiary - Charitek CIC. This had not started trading at 31 March 2021.

Financial instruments

Objectives and policies

The Group's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The charity does not use derivative financial instruments.

Cash flow risk

The Group's activities expose it primarily to the financial risks of changes in economic conditions, funding availability and investment income rates.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments.
Where any risk relates to trade receivables an allowance for impairment is made.
The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.
The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Group uses a mixture of long-term and short-term investments.
Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Trustees' Report

The annual report was approved by the trustees of the charity on 25 August 2021 and signed on its behalf by:

.....
P A Smith
Chairman and Trustee

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Statement of Trustees' Responsibilities

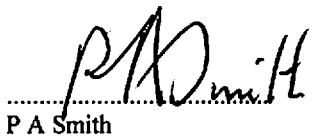
The trustees (who are also the directors of Age UK South Lakeland Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

Approved by the trustees of the charity on 25 August 2021 and signed on its behalf by:



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P A Smith
Chairman and Trustee

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Independent Auditor's Report to the Members of Age UK South Lakeland Ltd

Opinion

We have audited the financial statements of Age UK South Lakeland Ltd (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 charity'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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience and from discussions with management. We reviewed any related correspondence and records of trustee meetings to assess compliance with laws and regulations and discussed the current position with management. We ensured the audit team were alert for any indications of non-compliance throughout the audit work.

We assessed the charity's policies and procedures on fraud risks. No instances of actual, suspected or alleged fraud were identified by us or the charity in the year.

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

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

Use of this report

This report is made solely to the charitable parent company's trustees, 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 group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Independent Auditor's Report to the Members of Age UK South Lakeland Ltd

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Helen Holmes BSc FCA (Senior Statutory Auditor)
For and on behalf of Stables Thompson & Briscoe, Statutory Auditor

Lowther House
Lowther Street
Kendal
Cumbria
LA9 4DX

Date: 15 September 2021

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Consolidated Statement of Financial Activities for the Year Ended 31 March 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	729,497	-	729,497
Charitable activities	4	258,468	300,751	559,219
Other trading activities	5	591,495	-	591,495
Investment income	6	9,349	-	9,349
Total income		1,588,809	300,751	1,889,560
Expenditure on:				
Raising funds	8	(963,182)	-	(963,182)
Charitable activities	9	(406,129)	(271,903)	(678,032)
Total expenditure		(1,369,311)	(271,903)	(1,641,214)
Gains/losses on investment assets		85,979	-	85,979
Net income		305,477	28,848	334,325
Net movement in funds		305,477	28,848	334,325
Reconciliation of funds				
Total funds brought forward		1,056,991	13,924	1,070,915
Total funds carried forward	26	1,362,468	42,772	1,405,240

The notes on pages 21 to 49 form an integral part of these financial statements.

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Consolidated Statement of Financial Activities for the Year Ended 31 March 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Comparative - 2020	Note	Unrestricted £	Restricted £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	47,980	-	47,980
Charitable activities	4	15,000	451,430	466,430
Other trading activities	5	1,338,071	-	1,338,071
Investment income	6	15,667	-	15,667
Other income	7	6,241	-	6,241
Total Income		1,422,959	451,430	1,874,389
Expenditure on:				
Raising funds	8	(1,102,715)	-	(1,102,715)
Charitable activities	9	(380,234)	(467,065)	(847,299)
Total Expenditure		(1,482,949)	(467,065)	(1,950,014)
Gains/losses on investment assets		(51,018)	-	(51,018)
Net expenditure		(111,008)	(15,635)	(126,643)
Net movement in funds		(111,008)	(15,635)	(126,643)
Reconciliation of funds				
Total funds brought forward		1,167,999	29,559	1,197,558
Total funds carried forward	26	1,056,991	13,924	1,070,915

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 and 2020 is shown in note 26.

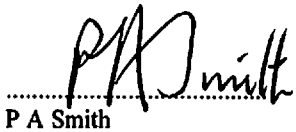
Age UK South Lakeland Ltd

known as Age UK South Lakeland

(Registration number: 07540805)
Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	16	123,006	81,693
Tangible assets	17	445,148	474,226
Investments		589,697	497,255
		1,157,851	1,053,174
Current assets			
Stocks	19	46,647	53,514
Debtors	20	134,942	78,454
Cash at bank and in hand	21	559,797	29,316
		741,386	161,284
Creditors: Amounts falling due within one year	22	(293,868)	(143,543)
Net current assets		447,518	17,741
Total assets less current liabilities		1,605,369	1,070,915
Creditors: Amounts falling due after more than one year	23	(200,129)	-
Net assets		1,405,240	1,070,915
Funds of the group:			
Restricted income funds			
Restricted funds		42,772	13,924
Unrestricted income funds			
Unrestricted funds		1,362,468	1,056,991
Total funds	26	1,405,240	1,070,915

The financial statements on pages 16 to 49 were approved by the trustees, and authorised for issue on 25 August 2021 and signed on their behalf by:



.....
P A Smith
Chairman and Trustee

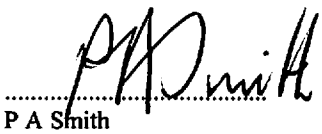
Age UK South Lakeland Ltd

known as Age UK South Lakeland

(Registration number: 07540805)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	16	123,006	81,693
Tangible assets	17	445,148	474,226
Investments		589,697	497,255
		1,157,851	1,053,174
Current assets			
Stocks	19	1,231	-
Debtors	20	199,128	139,694
Cash at bank and in hand	21	540,250	17,929
		740,609	157,623
Creditors: Amounts falling due within one year	22	(293,072)	(139,882)
Net current assets		447,537	17,741
Total assets less current liabilities		1,605,388	1,070,915
Creditors: Amounts falling due after more than one year	23	(200,129)	-
Net assets		1,405,259	1,070,915
Funds of the charity:			
Restricted income funds			
Restricted funds	26	42,772	13,924
Unrestricted income funds			
Unrestricted funds		1,362,487	1,056,991
Total funds	26	1,405,259	1,070,915

The financial statements on pages 16 to 49 were approved by the trustees, and authorised for issue on 25 August 2021 and signed on their behalf by:



.....
P A Smith
Chairman and Trustee

Age UK South Lakeland Ltd

known as Age UK South Lakeland

Consolidated Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		334,325	(126,643)
Adjustments to cash flows from non-cash items			
Depreciation	17	32,009	35,654
Amortisation	16	20,931	20,932
Investment income	6	(9,349)	(15,667)
Revaluation of investments		(85,979)	51,018
		291,937	(34,706)
Working capital adjustments			
Decrease/(increase) in stocks	19	6,867	(7,481)
(Increase)/decrease in debtors	20	(56,488)	36,729
Decrease in creditors	22	(6,910)	(52,366)
Increase in deferred income	23	114,939	2,431
Net cash flows from operating activities		350,345	(55,393)
Cash flows from investing activities			
Interest receivable and similar income	6	9,349	15,667
Purchase of intangible fixed assets	16	(62,244)	(36,695)
Purchase of tangible fixed assets	17	(2,930)	(6,043)
Purchase of investments	18	(779,142)	(420,368)
Sale of investments	18	772,679	458,716
Net cash flows from investing activities		(62,288)	11,277
Cash flows from financing activities			
Value of new loans obtained during the period		250,000	-
Repayment of loans and borrowings	22	(7,576)	-
Net cash flows from financing activities		242,424	-
Net increase/(decrease) in cash and cash equivalents		530,481	(44,116)
Cash and cash equivalents at 1 April		29,316	73,432
Cash and cash equivalents at 31 March		559,797	29,316

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 21 to 49 form an integral part of these financial statements.

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
17 Finkle Street
Kendal
Cumbria
LA9 4AB

The principal place of business is:
17 Finkle Street
Kendal
Cumbria
LA9 4AB

These financial statements were authorised for issue by the trustees on 25 August 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

Basis of preparation
Age UK South Lakeland Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a surplus after tax for the financial year of £334,344 (2020 - deficit of £126,643).

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the group has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Intangible assets

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

Tangible fixed assets

Individual fixed assets costing £200.00 or more are initially recorded at cost.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Compass eHub	20% straight line

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	2% straight line
Leasehold property	Straight line over the life of the lease
Fixtures, fittings and equipment	Over 3 - 5 years
Motor vehicles	33% straight line

Research and development
Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future income from the related project.

Business combinations
Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Fixed asset investments
Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock
Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the group.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument.
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

3 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations from individuals	42,281	42,281	10,959
Legacies	11,430	11,430	2,500
Grants, including capital grants;			
Government grants	671,646	671,646	6,509
Donations from community groups	872	872	24,444
Other income from donations and legacies	3,268	3,268	3,568
	729,497	729,497	47,980

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Big Lottery - Reaching Communities	99,950	-	99,950
Big Lottery Development Grant	-	25,000	25,000
Winter Warmth - CCF grants	-	51,600	51,600
Age UK - Benefits take up	-	30,752	30,752
Rayne Foundation	-	20,000	20,000
Eric Wright Trust	25,000	10,000	35,000
No Place Like Home	-	14,000	14,000
EON Handyperson Home Energy	-	2,340	2,340
Barrow - Thornbarrow	-	928	928
Age UK Support Services	35,000	-	35,000
CCF/CCC Falls Awareness	-	3,333	3,333
Sobell Foundation	-	6,000	6,000
Agnes Backhouse Charitable Trust	-	15,000	15,000
Cumbria CCF grant	35,000	-	35,000
Compass Connections	-	38,395	38,395
Think Digital	-	46,922	46,922
PCT Strictly Seated Dancing	19,875	-	19,875
Gateway Group	9,900	500	10,400
Gateway Partnership Work	-	7,840	7,840
Staying Connected	-	9,850	9,850
Armed Forces Covenant Grant	-	18,291	18,291
Age UK COVID grant	13,743	-	13,743

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Goodacre Benevolent Fund	20,000	-	20,000
	258,468	300,751	559,219

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Big Lottery - Reaching Communities	-	107,066	107,066
Winter Warmth - CCF grants	-	42,480	42,480
RBS Financial inclusion	-	34,959	34,959
Garfield Weston	-	30,000	30,000
Age UK - Benefits take up	-	33,480	33,480
Age UK - Winter Warmth Campaign	-	9,125	9,125
Age UK Ambitions for Later Life	-	14,000	14,000
One Digital Project	-	17,800	17,800
CCF Compass	-	22,561	22,561
AWA Awards for All	-	10,000	10,000
Digital Leadership Fund	-	28,677	28,677
Sir John Fisher	-	12,500	12,500
Rayne Foundation	-	20,000	20,000
Eric Wright Trust	-	20,000	20,000
No Place Like Home	-	14,000	14,000
EON Handyperson Home Energy	-	8,100	8,100
EON Warm Homes Plus	-	9,900	9,900
Get Active	-	1,500	1,500
Barrow - Thornbarrow	-	2,615	2,615
Age UK Support Services	15,000	-	15,000
CCF/CCC Falls Awareness	-	6,667	6,667
Sobell Foundation	-	6,000	6,000
	15,000	451,430	466,430

5 Income from other trading activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Trading income;			
Shop income from sale of donated goods and services	517,216	517,216	1,132,385
Sales of goods and services	73,673	73,673	199,730
Other trading income	606	606	5,956
	591,495	591,495	1,338,071

6 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	-	-	43
Other income from fixed asset investments	9,349	9,349	15,624
	9,349	9,349	15,667

7 Other income

	Total 2021 £	Total 2020 £
Staff time on BuyCharity capitalised	-	6,241

8 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Ethical sales training		2,500	2,500	-
Fundraising agent fees		1,225	1,225	12,742
		3,725	3,725	12,742

b) Costs of trading activities

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Retail trading costs:				
Staff costs		636,261	636,261	657,090
Costs of goods sold		57,585	57,585	125,592
Trading subsidiary costs		52	52	48
Events and conferences		86	86	287
Property costs		162,266	162,266	188,149
Marketing and publicity		314	314	1,703
Depreciation, amortisation and other similar costs		14,963	14,963	18,509
Other direct costs of activities for generating funds		75,890	75,890	84,029
Business development costs (excluding staff costs)	10	9,240	9,240	10,725
		956,657	956,657	1,086,132

c) Investment management costs

	Note	Unrestricted funds General £	Total 2021 £	Total 2020 £
Other investment management costs;				
Amounts payable to investment managers		2,800	2,800	3,841
		2,800	2,800	3,841

d) Total costs of generating donations and legacies

	Direct costs £	Allocated support costs £	Total costs £
Costs of generating donations and legacies	3,725	-	3,725
Costs of trading activities	896,925	59,732	956,657
Investment management costs	2,800	-	2,800
Total for 2021	903,450	59,732	963,182

	Direct costs £	Allocated support costs £	Total 2020 £
Costs of generating donations and legacies	12,742	-	12,742
Costs of trading activities	1,032,583	53,549	1,086,132
Investment management costs	3,841	-	3,841
Total for 2020	1,049,166	53,549	1,102,715

9 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Client Services	223,039	374,642	597,681
Grants distributed	-	52,086	52,086
Governance costs	28,265	-	28,265
	251,304	426,728	678,032

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Client Services	352,699	408,950	761,649
Grants distributed	-	58,115	58,115
Governance costs	27,535	-	27,535
	380,234	467,065	847,299

	Activity undertaken directly £	Activity support costs £	2021 £
Client Services	330,328	267,353	597,681
Grants distributed	52,086	-	52,086
Governance	8,394	19,871	28,265
	390,808	287,224	678,032

	Activity undertaken directly £	Activity support costs £	2020 £
Client Services	476,058	285,591	761,649
Grants distributed	58,115	-	58,115
Governance	9,066	18,469	27,535
	543,239	304,060	847,299

£251,304 (2020 - £380,234) of the above expenditure was attributable to unrestricted funds and £426,728 (2020 - £467,065) to restricted funds.

10 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Staff costs			
Wages and salaries	12,176	12,176	9,458
Social security costs	959	959	793
Pension costs	511	511	431
Other staff costs	19	19	17
Audit fees			
Audit of the financial statements	4,100	4,100	4,050
Other fees paid to auditors	4,294	4,294	4,914
Legal fees	46	46	65
Other governance costs	-	-	541
Allocated support costs	6,160	6,160	7,266
	28,265	28,265	27,535

11 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Audit fees	4,100	4,050
Depreciation of fixed assets	32,009	35,654
Amortisation of software development	20,931	20,931

12 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

C Twist
£Nil (2020: £94) of expenses were reimbursed to C Twist during the year.

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any other benefits from the charity during the year.

13 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	983,507	1,091,263
Social security costs	71,660	69,130
Pension costs	30,898	36,197
Other staff costs	3,055	2,841
	1,089,120	1,199,431

The monthly average number of persons (including senior management team) employed by the group during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Operations and specialist services	10	14
Organisational support	7	7
Income generation and retail	27	30
	44	51

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the group were £249,428 (2020 - £238,376).

14 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	4,100	4,050
Other fees to auditors		
The auditing of accounts of any associate of the charity	650	650
Audit-related assurance services	2,560	3,260
Taxation compliance services	880	800
All other non-audit services	204	204
	4,294	4,914

15 Taxation

The group is a registered charity and is therefore exempt from taxation.

16 Intangible fixed assets

Group

	Software development £	Total £
Cost		
At 1 April 2020	141,351	141,351
Additions	62,244	62,244
At 31 March 2021	203,595	203,595
Amortisation		
At 1 April 2020	59,658	59,658
Charge for the year	20,931	20,931
At 31 March 2021	80,589	80,589
Net book value		
At 31 March 2021	123,006	123,006
At 31 March 2020	81,693	81,693

Charity

	Software development £	Total £
Cost		
At 1 April 2020	141,351	141,351
Additions	62,244	62,244
At 31 March 2021	203,595	203,595
Amortisation		
At 1 April 2020	59,658	59,658
Charge for the year	20,931	20,931
At 31 March 2021	80,589	80,589
Net book value		
At 31 March 2021	123,006	123,006
At 31 March 2020	81,693	81,693

The Compass eHub is valued at the cost of components and staff time. BuyCharity is valued at the cost of development not including staff time.

Development costs
Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated as a deficit to the charity.

17 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2020	621,234	237,697	4,500	863,431
Additions	-	2,930	-	2,930
At 31 March 2021	621,234	240,627	4,500	866,361
Depreciation				
At 1 April 2020	164,044	220,660	4,500	389,204
Charge for the year	19,774	12,235	-	32,009
At 31 March 2021	183,818	232,895	4,500	421,213
Net book value				
At 31 March 2021	437,416	7,732	-	445,148
At 31 March 2020	457,190	17,037	-	474,227

Included within the net book value of land and buildings above is £404,411 (2020 - £412,490) in respect of freehold land and buildings and £33,006 (2020 - £44,699) in respect of leaseholds.

Charity

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2020	621,234	237,697	4,500	863,431
Additions	-	2,930	-	2,930
At 31 March 2021	621,234	240,627	4,500	866,361
Depreciation				
At 1 April 2020	164,044	220,660	4,500	389,204
Charge for the year	19,774	12,235	-	32,009
At 31 March 2021	183,818	232,895	4,500	421,213
Net book value				
At 31 March 2021	437,416	7,732	-	445,148
At 31 March 2020	457,190	17,037	-	474,227

Included within the net book value of land and buildings above is £404,411 (2020 - £412,490) in respect of freehold land and buildings and £33,006 (2020 - £44,699) in respect of leaseholds.

18 Fixed asset investments

Group

	2021 £	2020 £
Other investments	589,697	497,255

Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held 2021	2020	Principal activity
Subsidiary undertakings					
Age UK South Lakeland Trading CIC	England and Wales 10104067	Limited by guarantee	100%	100%	Trading subsidiary of Age UK South Lakeland
Charitek CIC	England and Wales 12294358	Limited by guarantee	100%	100%	Online trading subsidiary of Age UK South Lakeland

Other investments

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 April 2020	460,492	36,763	497,255
Revaluation	85,979	-	85,979
Additions	400,822	378,320	779,142
Disposals	(369,058)	(403,621)	(772,679)
At 31 March 2021	578,235	11,462	589,697
Net book value			
At 31 March 2021	578,235	11,462	589,697
At 31 March 2020	460,492	36,763	497,255

Subsidiaries

The profit for the financial period of Age UK South Lakeland Trading CIC was £23,749 (2020 - £84,214) and the aggregate amount of capital and reserves at the end of the period was £Nil (2020 - £Nil).

The loss for the financial period of Charitek CIC was £20 (2020 - £Nil) and the aggregate amount of capital and reserves at the end of the period was £(20) (2020 - £Nil).

Charity

	2021	2020
	£	£
Other investments	589,697	497,255

Other investments

	Listed investments	Cash held in portfolio	Total
	£	£	£
Cost or Valuation			
At 1 April 2020	460,492	36,763	497,255
Revaluation	85,979	-	85,979
Additions	400,822	378,320	779,142
Disposals	(369,058)	(403,621)	(772,679)
At 31 March 2021	578,235	11,462	589,697
Net book value			
At 31 March 2021	578,235	11,462	589,697
At 31 March 2020	460,492	36,763	497,255

19 Stock

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Stocks	1,231	-	1,231	-
Finished goods	45,416	53,514	-	-
	46,647	53,514	1,231	-

20 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	79,022	29,654	79,022	29,654
Due from group undertakings	-	-	86,361	62,521
Prepayments	49,309	33,079	29,005	31,798
VAT recoverable	6,611	11,460	4,740	11,460
Other debtors	-	4,261	-	4,261
	134,942	78,454	199,128	139,694

21 Cash and cash equivalents

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Cash on hand	1,539	1,260	1,539	1,260
Cash at bank	558,258	28,056	538,711	16,669
	559,797	29,316	540,250	17,929

22 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	42,295	-	42,295	-
Trade creditors	11,884	27,305	11,754	24,304
Resources held for third parties	18,467	19,165	18,467	19,165
Other taxation and social security	18,698	17,270	18,698	17,270
Other creditors	-	5,033	-	5,033
Accruals	25,174	12,359	24,508	11,699
Deferred income	177,350	62,411	177,350	62,411
	293,868	143,543	293,072	139,882

Deferred income

Group	2021 £
Deferred income at 1 April 2020	62,411
Resources deferred in the period	177,530
Amounts released from previous periods	(62,411)
Deferred income at 31 March 2021	177,530

Charity	2021 £
Deferred income at 1 April 2020	62,411
Resources deferred in the period	177,530
Amounts released from previous periods	(62,411)
Deferred income at 31 March 2021	177,530

Resources held for Third Parties as agent or custodian trustee

Group and Charity	Brought forward	Received	Paid out	Carried forward
	£	£	£	£
Hawkshead Club	875	44	-	919
East ICC Locality grant and Public Health Locality grant	18,290	-	(742)	17,548
	19,165	44	(742)	18,467

23 Creditors: amounts falling due after one year

	Group 2021	Charity 2021
	£	£
Bank loans	200,129	200,129

Charity

Included in the creditors are the following amounts due after more than five years:

	2021
	£
After more than five years by instalments	28,077

Borrowings due after five years

The CBIL loan is repayable by £3,787.87 monthly repayments with an initial interest free period after which interest will be charged at 2.28% above the Bank of England bank rate (currently 0.10%).

24 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Land and buildings				
Within one year	146,348	137,215	146,348	137,215
Between one and five years	355,122	196,230	355,122	196,230
After five years	165,633	46,433	165,633	46,433
	667,103	379,878	667,103	379,878
Other				
Within one year	16,461	23,698	16,461	23,698
Between one and five years	16,599	24,093	16,599	24,093
After five years	-	2,587	-	2,587
	33,060	50,378	33,060	50,378

25 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £30,897 (2020 - £36,198).

26 Funds

Group

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General						
Remaining unrestricted funds	57,231	1,588,809	(1,316,371)	(208,732)	85,979	206,916
Designated						
Designated funds - as per charity	999,760	-	(52,940)	208,732	-	1,155,552
Total unrestricted funds	1,056,991	1,588,809	(1,369,311)	-	85,979	1,362,468
Restricted funds						
Restricted funds - as per charity	13,924	300,751	(271,903)	-	-	42,772
Total funds	1,070,915	1,889,560	(1,641,214)	-	85,979	1,405,240

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds						
General						
Remaining unrestricted funds	153,803	1,307,442	(1,310,846)	(42,150)	(51,018)	57,231
Designated						
Designated funds - as per charity	1,014,196	-	(56,586)	42,150	-	999,760
Total unrestricted funds	1,167,999	1,307,442	(1,367,432)	-	(51,018)	1,056,991
Restricted funds						
Restricted funds - as per charity	29,559	451,430	(467,065)	-	-	13,924
Total funds	1,197,558	1,758,872	(1,834,497)	-	(51,018)	1,070,915

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Notes to the Financial Statements for the Year Ended 31 March 2021

Charity

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted						
General						
Remaining unrestricted funds	57,231	1,588,809	(1,316,352)	(208,732)	85,979	206,935
Designated						
Fixed asset fund	555,919	-	(52,940)	65,174	-	568,153
General core reserve	400,000	-	-	-	-	400,000
Planned investment in services	43,841	-	-	53,558	-	97,399
Provision for upgrade of IT and telephone systems	-	-	-	90,000	-	90,000
	999,760	-	(52,940)	208,732	-	1,155,552
Total Unrestricted	1,056,991	1,588,809	(1,369,292)	-	85,979	1,362,487
Restricted						
Age UK - Benefits Take Up	-	30,752	(30,752)	-	-	-
E ON HHE Handyperson Home energy	-	2,340	(2,340)	-	-	-
Compass Connections	-	38,395	(38,395)	-	-	-
Think Digital	-	46,922	(33,516)	-	-	13,406
Eric Wright Trust	-	10,000	(10,000)	-	-	-
Big Lottery Development Grant	-	25,000	(25,000)	-	-	-
Cumbria Community Foundation Winter Warmth	510	51,600	(44,240)	-	-	7,870
No Place Like Home	-	14,000	(14,000)	-	-	-
Agnes Backhouse Charitable Trust	12,719	15,000	(6,907)	-	-	20,812
Sobell Foundation	-	6,000	(6,000)	-	-	-
CCC Falls Awareness Champion	-	3,333	(3,333)	-	-	-
Armed Forces Covenant Grant	-	18,291	(18,291)	-	-	-
Rayne Foundation Grant	-	20,000	(20,000)	-	-	-
Staying Connected	-	9,850	(9,850)	-	-	-
Barrow - Thornbarrow	-	928	(699)	-	-	229
Ambleside Masonic Lodge	695	-	(240)	-	-	455
Gateway Partnership Work	-	7,840	(7,840)	-	-	-

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Gateway Group	-	500	(500)	-	-	-
Total restricted	13,924	300,751	(271,903)	-	-	42,772
Total funds	1,070,915	1,889,560	(1,641,195)	-	85,979	1,405,259

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted						
General						
Remaining unrestricted funds	153,803	1,307,442	(1,310,846)	(42,150)	(51,018)	57,231
Designated						
Fixed asset fund	569,768	-	(56,586)	42,737	-	555,919
General core reserve	400,000	-	-	-	-	400,000
Planned investment in services	44,428	-	-	(587)	-	43,841
	1,014,196	-	(56,586)	42,150	-	999,760
Total unrestricted	1,167,999	1,307,442	(1,367,432)	-	(51,018)	1,056,991
Restricted						
Age UK - Benefits Take Up	-	33,480	(33,480)	-	-	-
Age UK - Winter Warmth	-	9,125	(9,125)	-	-	-
Age UK - Ambitions for Later Life	-	14,000	(14,000)	-	-	-
Big Lottery - Reaching Communities	-	107,066	(107,066)	-	-	-
Age UK - E.On Home Energy	-	9,900	(9,900)	-	-	-
E ON HHE Handyperson Home energy	-	8,100	(8,100)	-	-	-
CCC Operation of Compass online	-	22,561	(22,561)	-	-	-
AWA Awards for All	-	10,000	(10,000)	-	-	-
Sir John Fisher	-	12,500	(12,500)	-	-	-
Digital Leadership Fund	-	28,677	(28,677)	-	-	-
One Digital Project	-	17,800	(17,800)	-	-	-
Eric Wright Trust	-	20,000	(20,000)	-	-	-
RBS Financial Inclusion	-	34,959	(34,959)	-	-	-
Donations towards Winter Warmth	-	300	(300)	-	-	-

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Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Cumbria Community Foundation Winter Warmth	5,165	42,480	(47,135)	-	-	510
No Place Like Home	-	14,000	(14,000)	-	-	-
Agnes Backhouse Charitable Trust	23,699	-	(10,980)	-	-	12,719
Garfield Weston Fund - Friends Exchange	-	30,000	(30,000)	-	-	-
Sobell Foundation	-	6,000	(6,000)	-	-	-
Get Active	-	1,500	(1,500)	-	-	-
CCC Falls Awareness Champion	-	6,667	(6,667)	-	-	-
Rayne Foundation Grant	-	20,000	(20,000)	-	-	-
Barrow - Thornbarrow	-	2,315	(2,315)	-	-	-
Ambleside Masonic Lodge	695	-	-	-	-	695
Total restricted	29,559	451,430	(467,065)	-	-	13,924
Total funds	1,197,558	1,758,872	(1,834,497)	-	(51,018)	1,070,915

The specific purposes for which the funds are to be applied are as follows:

Cumbria Community Foundation – Winter Warmth Grants: The partner organisation will distribute grants on behalf of Cumbria Community Foundation to individuals to alleviate winter related hardship across South Lakeland.
Age UK E.On Benefits take up: E.on Warm Homes Programme2020/21 - Benefit Entitlement Checks
Age UK E.On Home Energy Checks: E.on Warm Homes Programme2020/21 - Home Energy Checks
Rayne Foundation, The Eric Wright Trust, Age UK – No Place Like Home, Big Lottery Community Fund – Compass Connections: Expanding Compass outside Cumbria and development of Compass.
Cumbria County Council – South Lakeland local team - Falls Prevention Work: To deliver falls prevention awareness in the community
Age UK – Think Digital: To deliver digital awareness and support
Big Lottery Community Fund - Staying Connected: To purchase laptops,tablets – to support digital engagement
Armed Forces Covenant Fund - Veterans Should Not be Forgotten: To deliver Compass work specifically to veterans of the Armed Forces

27 Analysis of net assets between funds

Group

	Unrestricted funds		Restricted funds	Total funds at 31 March 2021
	General	Designated		
	£	£	£	£
Intangible fixed assets	-	123,006	-	123,006
Tangible fixed assets	-	445,148	-	445,148
Fixed asset investments	2,299	587,398	-	589,697
Current assets	698,614	-	42,772	741,386
Current liabilities	(293,868)	-	-	(293,868)
Creditors over 1 year	(200,129)	-	-	(200,129)
Total net assets	206,916	1,155,552	42,772	1,405,240

	Unrestricted funds		Restricted funds	Total funds at 31 March 2020
	General	Designated		
	£	£	£	£
Intangible fixed assets	-	81,693	-	81,693
Tangible fixed assets	-	474,226	-	474,226
Fixed asset investments	53,414	443,841	-	497,255
Current assets	147,360	-	13,924	161,284
Current liabilities	(143,543)	-	-	(143,543)
Total net assets	57,231	999,760	13,924	1,070,915

Charity

	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds at 31 March 2021 £
Intangible fixed assets	-	123,006	-	123,006
Tangible fixed assets	-	445,148	-	445,148
Fixed asset investments	2,299	587,398	-	589,697
Current assets	697,837	-	42,772	740,609
Current liabilities	(293,072)	-	-	(293,072)
Creditors over 1 year	(200,129)	-	-	(200,129)
Total net assets	206,935	1,155,552	42,772	1,405,259

	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total funds at 31 March 2020 £
Intangible fixed assets	-	81,693	-	81,693
Tangible fixed assets	-	474,226	-	474,226
Fixed asset investments	53,414	443,841	-	497,255
Current assets	143,699	-	13,924	157,623
Current liabilities	(139,882)	-	-	(139,882)
Total net assets	57,231	999,760	13,924	1,070,915