

Company number: 08412045
Charity number: 1152234



AGE UK FAVERSHAM AND SITTINGBOURNE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

AGE UK FAVERSHAM AND SITTINGBOURNE

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AGE UK FAVERSHAM AND SITTINGBOURNE

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Mrs D Reed, Chair Mrs L Ferguson, Treasurer from April 2023 (appointed 18 January 2023) Dr E J Wilcox, Treasurer until April 2023 Mr F Manoharan (resigned 22 March 2023) Ms R K Maslen (resigned 22 March 2023) Mr A Horton Mr K Barker Mrs C Robinson
Company registered number	08412045 (England and Wales)
Charity registered number	1152234
Registered office	The Old Fire Station Crescent Road Faversham Kent ME13 7GU
Chief Executive Officer	Mrs C E Burgess (also Company Secretary – resigned 3 July 2023)
Independent Auditors	Lindeyer Francis Ferguson Limited North House, 198 High Street Tonbridge Kent TN9 1BE
Principal Bankers	Nat West Bank plc 13 Market Place Faversham Kent ME13 7AF

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their annual report together with the audited financial statements of the charity for the year to 31 March 2023. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). This report is also the Directors' Report under company law.

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

· **Objectives**

The objectives of the charity are:

- preventing or relieving the poverty of older people;
- advancing the education of older people;
- preventing or relieving sickness, disease or suffering in older people (whether emotional, mental or physical);
- assisting older people in need by reason of ill-health, disability, financial hardship, social exclusion or other disadvantage; and
- such other charitable purposes for the benefit of older people as the Trustees may from time to time decide the outcome of this being the promotion of the well-being of older people.

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

· **Volunteers**

The charity's work would not be possible without the commitment and contribution made by the enthusiastic volunteers who freely give their time for the benefit of older people in the area.

· **Main activities undertaken to further the charity's purposes for the public benefit.**

The Trustees of the charity have had due regard to the Charity Commission's general guidance on public benefit. The charity's objectives and aims have been reviewed taking this guidance in to consideration and are still deemed to be appropriate.

Achievements and performance

· **Review of activities**

Achievements for the public benefit directly supported an estimated 2000 individuals and have been demonstrated under the following broad headings:

WELLBEING SERVICES

Wellbeing Centre Activities

The Charity has two centres, one in Faversham and one in Sittingbourne. The Sittingbourne centre remained occupied by Sittingbourne PCN who are paying rent for this building whilst they await their new building to be completed.

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The Faversham Centre provides a range of wellbeing services and acts as a hub for local older people and offers wellbeing activities which includes physical activities such as Hula Hooping and Armchair exercises as well as arts & crafts, music-based activities and hot two course lunches. The charity also offers transport to people who find travelling to the centre difficult. This includes vehicles which are fully accessible.

Warm Banks

Due to the cost-of-living crisis we found older people who were struggling with bills and overall costs. As well as supporting people to access additional help via benefits, HSF etc, we also applied for funding to provide warm packs, open warm banks, provide infra-red heaters and electric throws to people who were struggling. We worked in coordination with a local organisation Faversham Umbrella to ensure we could between us provide a warm space two days a week until 5pm. Thanks to funding from Cllr. Roger Truelove, Age UK National, St James' Place and individual sponsoring we were able to provide all of the above plus a hot meal.

Wellbeing Community Activities/Sporting activities

These activities include group and 1-1 support. These activities are funded in many different ways including partnership working/applications such as Faversham Pools and Supported swimming sessions and include many different activities Walking Football, Walking Netball. We were delighted to agree funding from the KCC Wellbeing Contract via Imago during this year to help support some of these activities. We also support many people on a 1-1 basis with our wellbeing 2 you service. This service is completely bespoke to the individual we support. This service enables people to continue to enjoy what is important to them and what makes their lives fulfilling.

1.ABOUT THE PERSON

X is a client who lives at home with their family members. X lost their mum approximately 6 years ago and has struggled with independent living ever since. X has a few learning difficulties but used to attend the Age UK centre in Sittingbourne up until covid closed it in 2020. X is a lovely gentle person who doesn't tend to mix with people too much but generally joins in with activities when prompted. X has also made a few friends. X has a few health issues and has regular reviews with their GP.

2. WHAT WAS THE SITUATION

Since Covid, X has become more isolated and just existed at home with their family. One of X's family member were themselves limited with movement at home and two other family members have special needs. This made home life quite challenging to cope with. Social services have been involved with the whole family for a while, so they already knew of the difficulties X faces. Social interaction was practically non-existent so X was quite reclusive, only having free packs of activities provided by Age UK on a weekly basis during lockdown. X's personal care needed addressing as well as the house was quite cluttered and messy. X's diet needed addressing as they were gaining weight, and this was a worry regarding their health.

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3. WHAT DID AGE UK DO TO MAKE A DIFFERENCE?

Age UK contacted Social Services to see if X could have further funding so we could support X with improving their daily life. This became possible and now X has 2 visits for 3 hours each week with 2 different support workers. These visits usually mean X is taken out to various places of interest, where X can do some light exercise, such as walking. X is now being encouraged to lead a healthier lifestyle and monitors their diet well. X has also been helped to purchase a step counter watch to monitor their progress. This bespoke service was created during the pandemic and is called Welbeing 2 you. X is also picked up on our bus and taken to our wellbeing centre once a week where they join in with chair-based exercises, arts and craft activities and also has lunch there. X enjoys this very much and has made friends with others. Other support we provide for X includes organising any hospital or GP appointments, with us attending with them if necessary. Transport with a local volunteer driver service has also been arranged.

4. WHAT OUTCOMES WERE ACHIEVED?

X has become much more interactive with others and enjoys very much seeing their friends every week. X takes more of an interest in her own well-being now and enjoys our trips out, often buying themselves some new clothes. X feels more comfortable speaking with either myself or my colleague who also supports X and they have opened up about some very personal issues from her past. We as a team are in the process of ensuring professional help is available for them in that respect.

5. QUOTES/FEEDBACK

X has told me they are now very happy with their life. X says they sleep much better now as they can speak about any problems with us if they need to, rather than lay awake at night having dark thoughts. X is now in control of their own diet and makes their food choices independently.

Information and Advice Services

This completely free service was historically funded by a Grant from Kent County Council. Unfortunately this grant was discontinued from March 2022. The trustees agreed to fund this vital service from reserves for the year 22/23 as they felt that this service was integral to the support that we give to the community. This service was also expanded to cover the Sheppey region and was supported by one part time member of staff. This service was under real pressure throughout the year and particularly when the cost-of-living crisis escalated. The service did have to close at points throughout the year to allow the advisor to manage their caseload effectively.

The service supports people in many ways:

Welfare benefits:

- Benefit checks
- Form filling for: Attendance Allowance, Personal Independence Payment, Employment and Support Allowance, Disability Living Allowance, Universal Credit, Job Seekers Allowance, Carers Allowance, Pension Credit, State Pension, Housing Benefit, Council Tax Support, Council Tax Reduction.

Housing:

- Supporting people to understand and navigate the range of options available.
- Help with applying to the Housing Register.

Health & Social Care:

- Advice on accessing Social Care support for both funded & self-funded clients. Advice on statutory rights to Assessments.

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- Advice on hospital discharge procedures.

Other:

- Information only on Power of Attorney's/ Wills (not advice or help with applications).
- Help with Blue Badge and Disability Bus Pass applications.

The service is quality assured, and training is undertaken by Advisers and Volunteers to ensure they are up to date with the advice given.

In the last year we have supported circa 500 people and realised over £400k of benefits for our clients

F&S FOOD

We deliver our community meals service across Faversham & Sittingbourne from this location. An investment into electric vehicles and electric bars and heated bags have further supported this service. This service provides valuable wellbeing checks on vulnerable clients as well as ensuring a hot, nutritious, freshly cooked meal is delivered. The person who delivers the meal may well be the only person that our client sees all day and our team also get to know the client's routines and can raise the alarm if something is not quite right. This has had the impact of raising the alarm when a client has fallen and has been unable to open the door for example and in many cases has meant that a UTI has been discovered and treated due to small behaviour changes that might otherwise have been missed. This service has also supported Swale Borough Council's Household support fund allocation during this year in relation to pensioner support. The service was also an integral part of a partnership working pilot scheme for East Kent Hospitals for post discharge support for older people.

HANDS TO HELP

Hands 2 Help

The service continued to deliver a gardening service to complement the other independent living services it provides and added on a handyman service this year. The service also includes domestic assistance, shopping, and supported trips (which includes GP and Hospital appointments as well as shopping trips), this service is invaluable to the many people (150) it has supported this year. This service also supported Swale Borough Council's Household Support Fund and was also used to support the East Kent Hospitals Pilot post discharge support, in particular for services such as key safe fitting and cleaning of properties prior to discharge.

Befriending

We are pleased to have had some funding for this service from Alzheimer's and Dementia Support Services as part of the post diagnostic dementia wellbeing contracts commissioned by Kent County Council. This funding enabled the service to offer this service more widely for people living with dementia. Part way through the year we were delighted to receive further funding from Imago as part of the commissioned wellbeing service to fund another day a week of this service. This service is offered free to people across Faversham and Sittingbourne and surrounding areas and enables many people to feel less lonely and isolated.

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1.ABOUT THE PERSON

Retired medical professional aged in her 80s.

2. WHAT WAS THE SITUATION

Client "F" was living in a semi-rural location with Parkinson's disease and a spine condition which rendered her unable to leave the house and affected her speech and mobility. The Client did have carers but needed someone to spend quality time. The Client found using the telephone difficult.

3. WHAT DID AGE UK DO TO MAKE A DIFFERENCE?

Our Client hoped to keep mentally active despite physical health declining rapidly. Client and befriender played board games and enjoyed intelligent conversation. Befriender (J) was able to signpost to Community Navigator for housing/care option advice. The client was very anxious when care arrangements kept changing and was very grateful for the advice the befriender was able to access for her. Befriender raised concerns to Befriending Coordinator on behalf of client and was able to provide reassurance.

Befriender continued visiting and providing friendship and mental stimulation, despite the client's physical health declining and her becoming bedbound.

Both the client and the befriender were retired professional ladies with very interesting career backgrounds. This formed an excellent basis for friendship and reminiscence.

4. WHAT OUTCOMES WERE ACHIEVED?

Friendship, reminiscence, laughter and conversation.
Reduction in loneliness and isolation.
Mental stimulation.
Signposting to other services.
Emotional support
A person independent of family for the client to talk through concerns with.
The Befriender was able to refer for advice if required.
Befriender was included in client's lovely final birthday party celebrations.

Community Navigation Services

This contract is provided in partnership with other organisations and led by Social Enterprise Kent and has been vital over the last couple of years and was extremely needed during the Covid pandemic. We employ one community navigator under this contract who supports the Faversham and outlying areas. (Contractually we do not cover Sittingbourne). This service works with individuals supporting them in many ways from ensuring benefits are applied for, signposting to other support agencies, ensuring adaptations are made where required. The top three reasons for referral for support are: -

- Daily Living - Equipment, Household tasks and Property maintenance
- Finance and Benefit Maximisation
- Transport

Personalised independence services

This contract is provided in partnership with Age UK Herne Bay & Whitstable and other parties across Faversham only. The contract enables us to employ one coordinator who works closely with Faversham

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GPs and who is an active attendee of Multidisciplinary Team Meetings where they identify patients who need further support across the community. This contract has been extended for a further year.

SPECIALIST DEMENTIA SERVICES

This service encompasses many strands and has support available to people from pre diagnosis of memory concerns through to more in-depth support where required.

Fountain Specialist Day Care

The Fountain offers a service Monday to Friday supporting those who have a diagnosis of dementia or cognitive impairment. Our aim is to help people stay healthy and independent by providing day opportunities which include taking part in therapeutic and stimulating activities which assist in maintaining independence and allow people to live a healthy and fulfilling life. To help people stay active, we offer a wide range of activities which are tailored around the needs of each person who attends. This service also provides transport to ensure all members have a safe journey to and from the centre, a two-course hot meal and refreshments.

The Fountain is also commissioned on an individual basis by Adult Social Services where they deem the need is required.

1.ABOUT THE PERSON
Y enjoys shopping and going out to cafes and garden centres. Y is known for keeping a very nice garden and has won awards. Y was a dental nurse and supported a very successful business for many years.
2. WHAT WAS THE SITUATION
Y has moved from their home, where she has lived for many years, to Faversham to be closer to her family. Y can become very lonely as the family are very busy at work. Y's daughter noticed very quickly that Y needed additional support.
3. WHAT DID AGE UK DO TO MAKE A DIFFERENCE?
Age UK Faversham and Sittingbourne started with a 4-hour companionship visit with The Fountain Companionship service. Y loved these sessions and enjoyed the trips out. However, Y's daughter thought that Y would benefit from more than 4 Hours support once a week. So, we invited Y to the Fountain Daycentre. Y wasn't sure she would enjoy the centre but said she would give it a go for 2 days a week.
4. WHAT OUTCOMES WERE ACHIEVED?
Y started 2 days a week for 3 weeks. Y's daughter called and said that Y had really enjoyed coming to the Fountain and wondered if there were more days Y could attend. Y now comes 5 days a week. Y loves to help others. To support this, she enjoys helping around the centre, she helps with feeding the fish daily and washing up the cups after lunch. She talks to everyone that arrives at The Fountain and makes others feel really welcome on their first day. Y has now started to do cross stitching again, (something she used to do but said she couldn't do anymore) but with a little one to one support Y is doing very well and once finished we will be displaying it on the wall. Y is enjoying the cooking sessions too and has said that she will find us some more recipes to follow. Y also loves reading the paper and sometimes reads the news from it in the morning.

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All of the above are working with Y's cognitive, motor and physical skills and we are delighted that Y is enjoying our sessions. She is also increasing her social interaction meaning her feelings of loneliness are much less. Y attending these sessions also mean that her daughter can relax knowing her mum is being looked after safely and is enjoying her time.

5. QUOTES/FEEDBACK

Y said she loves her group, and she misses it at the weekend.
Y's daughter has said that Y loves it at The Fountain and if it was open at the weekend she would be there.

Fountain Companionship

This service was developed during the COVID pandemic, it launched to enable us to support clients and their families/carers living with dementia, Covid securely on a 1-1 basis. Post pandemic this service remains popular with our clients and their carers. These 1-1 visits can vary in time length of time and reason. They may provide carer's respite, taking the client to enjoy their favourite hobbies such as golf. It is a truly bespoke 1-1 service which has shown a great impact on our client's and the families/lives.

(Maintenance Cognitive Stimulation Therapy) MCST

We were pleased to introduce Maintenance Cognitive Stimulation Therapy (MCST) to our services this year with a successful initial funding bid being made to the Age UK National organisation to set up these sessions. We have run the sessions across Sittingbourne and Faversham, and they are run one hour a week as a continuation of the initial support given by the NHS. These sessions have been well received and we have delivered 2 x weekly sessions to around 14 people per week who are showing signs of memory loss.

COGS

Our COGS sessions were reinstated post covid this year with two sessions being run weekly. One in Sittingbourne and one in Faversham. Thank you to Alzheimers & Dementia Support Services for funding these sessions as part of the KCC Post diagnostic dementia wellbeing support contract. These sessions support people who are in the early stages of memory loss.

Memory/Dementia Cafes

This service is funded by Alzheimers & Dementia Services through the KCC Post diagnostic dementia wellbeing contract. The service is delivered twice a month across four different locations in Sittingbourne, Newington, Doddington and Faversham. This service has the impact of reducing loneliness and isolation for carers and their family members who are living with dementia. Carers find these sessions useful to interact with other people who are living in similar situations and can informally chat about their challenges. The sessions also have informative professionals/speakers attend to offer further advice and information in relation to support that is available.

Governance, structure and management

The Board of Trustees met regularly throughout the year as did the HR & Finance subcommittee and Health & Safety Subcommittee to ensure the charity was governed effectively. A skills audit and gap analysis were completed through the year. The lead safeguarding Trustee is Donna Jackson, The Lead Health & Safety Trustee is Alan Horton. After the completion of this year's skills audit, gaps were highlighted and a strategic recruitment of two new trustees was undertaken. This resulted in Charlotte Robinson and Lynn Ferguson joining the board of trustees.

Strategic Direction and Challenges

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The strategic plan was reviewed, and a new short-term strategy was agreed to mitigate the financial losses that the loss of the KCC Grant had left the charity to deal with. That strategy included investigating the sale of the Faversham Building and a merger with a local charity. The CEO of the charity was seconded to another organisation on the basis that at the end of the six months the charities would merge. A longer-term strategy of further merger was discussed due to the current financial climate for charities and the unsustainability of smaller charities.

Unfortunately, once the Faversham building had been valued it was unanimously agreed that the sale of the building at the valuation that had been given was not in the best interests of the charity and a decision was made to retain the building and look at ways to make the building pay for itself by renting space that was not being utilised.

The six-month part-time secondment of the charity CEO ended and discussions to merge the charities ended due to non-engagement of the other board. During this time the funding applications and partnership working with other organisations were coming to fruition and funding agreements were made with other organisations including IMAGO.

The loss of funding from KCC left a substantial hole in the charity's financials, however the hard work of the team in relationship building and partnership working has reduced that funding deficit for next year 23/24 substantially and whilst the Trustees signed off a deficit budget for 22/23, they believe that 23/24 would show a much smaller deficit/break even result.

Sadly, during March 2023 our CEO, Clare Burgess tendered her resignation. The board are truly sorry to lose her expertise from the charity and they believe that the charity would not have survived the last three years without her skills and income generating experience. Clare generously gave the charity 4 months' notice of her departure which gave the board time to discuss the best way forward for the charity. After considering all options, the board unanimously decided to approach another local Age UK, Age UK Medway to discuss merger options. This decision was made due to geographical area, funding opportunities and likeminded leadership. Age UK Medway were keen to explore a merger and an agreement was made to work towards this merger which we hope to complete 1st August 2023. This merger will bring sustainability and reduce the postcode lottery of services to our community across North Kent, Medway, and Swale. We believe this to be a hugely positive step and look forward to the new charity growing stronger and reaching more people.

Organisation

In 2022 the charity was re awarded its ISO9001:2015 quality standards.

The Information and Advice Service received its IAQP accreditation.

In early 2023 the charity achieved Kent & Medway Workplace Wellbeing Gold Award.

CEO Clare Burgess was awarded runner up award for the Kent Women in Business Leadership and Management Award.

The charity invested in and went live with Salesforce CRM system in December 2022 which gave process efficiencies in relation to client relationship management and invoicing.

Prices were increased to allow for the increased cost of employees and utilities.

The organisation received its Cyber Essential accreditation.

The organisation published against the NHS Data Protection Toolkit in line with contractual requirements.

Clients

The ability of clients to remain living independently, for as long as they wish to, continues to be the main focus of the charity's operations.

Across all services, the charity supported almost 2,000 individuals in a variety of ways.

The majority of clients were aged 65+ and the ratio of all clients was 62% female, 38% male. We continue to look for new activities to engage with a higher number of male clients. New services include further walking sports and we plan to look at an extended mens sheds provision also.

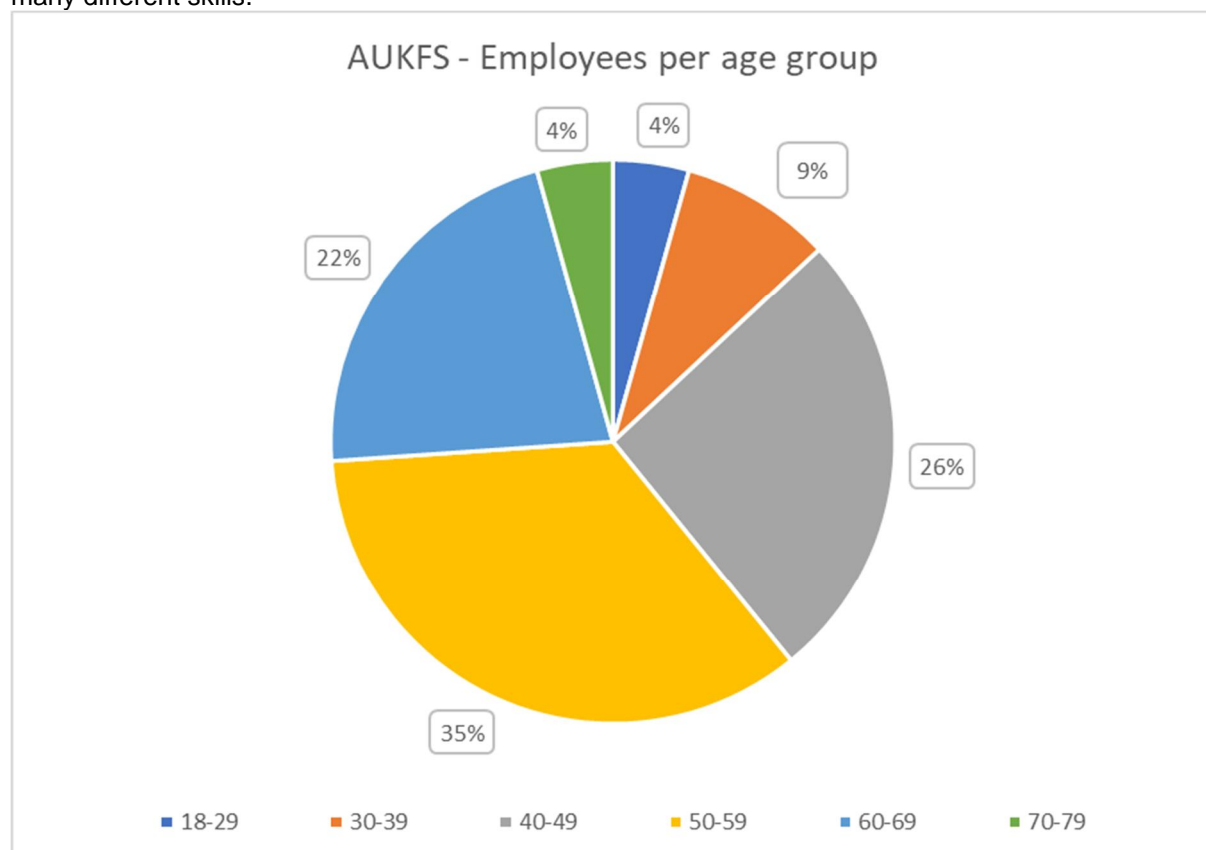
Clients were able to give feedback during the year by a variety of means including client forums and feedback survey and impact measurements of services.

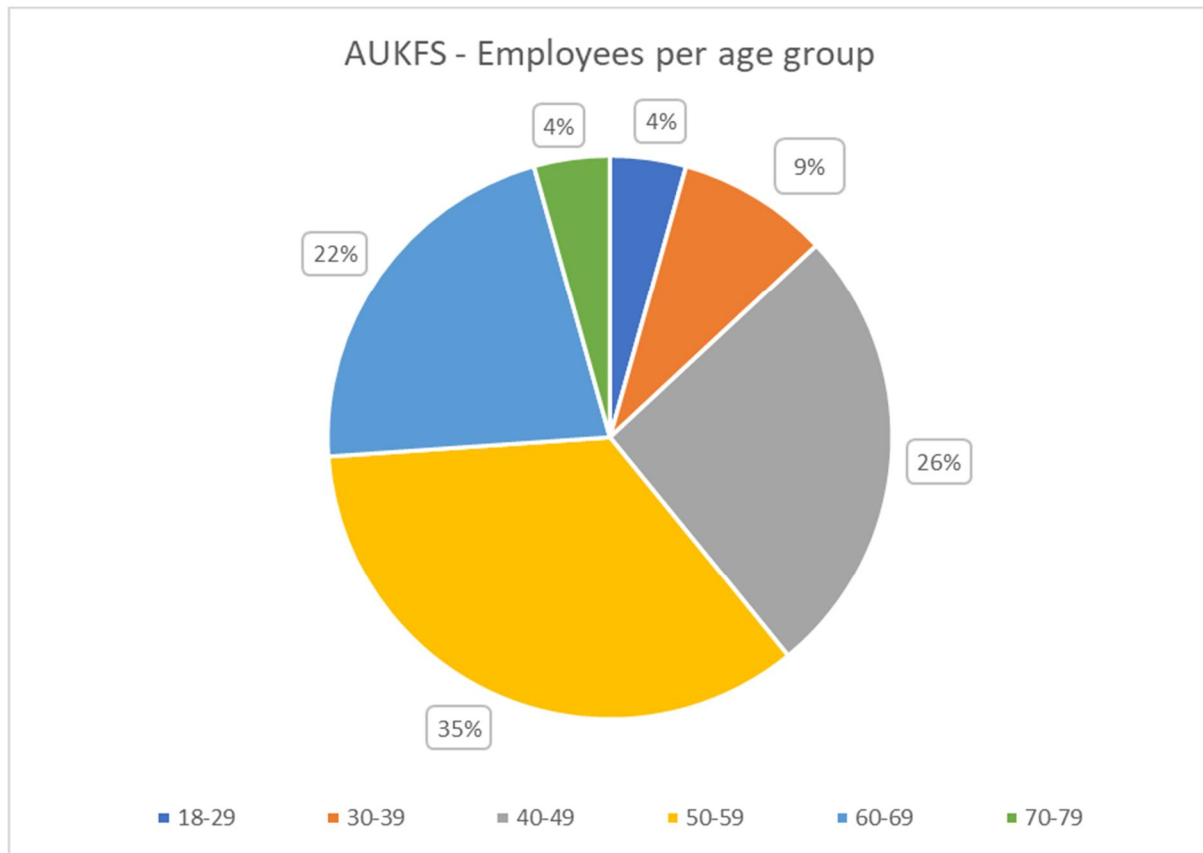
Impact was measured in a variety of ways to meet the requirements of our contracted services.

Staff and Volunteers

The charity employed 47 staff and during the year 22/23 79% of our team are over 50 26% are over 60 and we employ as many over 70's as we do 18–29-year-olds.

We are proud to be an age inclusive employer, how lucky are we as an organisation to benefit from so many different skills.





We introduced a death in service benefit for all of our employees under the age of 75 which included access to counselling and 24/7 private GP service for employees and their spouse/dependants. We also committed to paying above minimum wage to all our employees during this year.

The charity's work would not be possible without the commitment and contribution made by the enthusiastic volunteers who freely give their time for the benefit of older people in the area.

During the year volunteer recruitment remained a challenge post covid as many "traditional" volunteers have returned to the workplace or have family commitments which means their availability to volunteer is much more limited.

Trustees

All trustees were expected to attend at least one formal training course per year to develop their roles.

Communications and Fundraising

Social media continues to accumulate further followers and has been a key way to communicate messages through the pandemic.

A part time self-employed fundraiser was engaged by the Charity to support with fundraising and marketing support.

Local radio and press have been helpful in our communications this year.

· **Fundraising activities and income generation**

The charity has undertaken various fundraising activities but on a much smaller scale than usual during the financial year in order to raise additional funds, with the aim of applying these towards the charitable objectives. The charity has ensured compliance with the appropriate fundraising regulations.

Thank you to the following organisations for their support during this year.

Warburtons
Swale Borough Council – Member Grants (various Councillors)
Kent County Council – Member Grant (Cllr Rich Lehman)
Faversham Pools
Swale Leisure Trust
Age UK National
Bensted's charity
IMAGO
Alzheimers & Dementia Support Services
Holy Trinity Church
The estate of Mrs Iris Skinner
Hortons Property Consultants
Faversham Umbrella Centre
St James' Place
Faversham Mission Brass
Local Eastern Area Committee

Financial review

· **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Much work was done on cost control, efficiency savings and income development, the Board of Trustees are expecting to see further sustainability measures in 2023/24.

Age UK F&S merged with Age UK Medway on 31st July 2023. This decision was made due to geographical area, greater funding opportunities and likeminded leadership. Overheads, in particular central staffing costs, for smaller charities can be disproportionately high and grants frequently do not cover these central costs. Merging with Age UK Medway, and the consequent economies of scale, will have the added advantage of reducing these central overhead costs. Reduced central costs further increases the future security of our services.

· **Reserves policy**

The charity needs reserves to safeguard its day-to-day services by maintaining a positive cashflow position without recourse to borrowing. The reserves policy is reviewed when considering the annual budget and setting charges and spending levels for the forthcoming financial year.

Funds have been designated from reserves for various items:

- Fixed Asset fund – these are funds set aside due to the illiquid nature of the building asset it relates to
- Redundancy fund - This designated fund was created in the comparative period to allow for staff redundancy provision in the event of the charity being wound up. While having an effect on the level of free reserves, was felt to be a prudent action. (see more below.)

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- Building fund – this is money set aside for any emergency repairs, including a roof which will need replacement at some point in the near future.
- IT Sales force fund – this is a prudent amount set aside until the new IT Sales Force system is fully operational.

During a review of the reserves policy a decision was made to amend it to state “We maintain a designated Redundancy Fund to ensure we can cover our legal requirements. This is approximately £130,000. This reduces Free Reserves accordingly. Our aim is to maintain an additional £80,000 in addition to the above.”

This leaves free reserves currently standing at £200+k, which remains above the minimum target of £80k.

- **Principal risks and uncertainties**

The charity continues to positively manage risk as a high priority. Risks are identified by the Board of Trustees on a regular basis against a Risk Register, which is updated as necessary. Guidance and instruction to the Board from the Charity Commission about managing risk is regularly reviewed and implemented.

The main risks that face the Charity are:

The main risks that face the Charity are:	How the charity mitigates these risks:
Loss of core grants from the Local Authority which would represent a significant Loss of income	Merger with Age UK Medway will help mitigate this. See 'going concern'
Unplanned capital expenditure on repairs and replacements to premises and vehicles	Designated 'Building Fund' set aside
Reduced demand for services	Ongoing monitoring. Also, Age UK Medway have a designated marketing person to assist
Increased cost of providing services	Monitor regularly and increase prices, where able and applicable
Competition for some services from other Local providers	Maintain high standard of care. Monitor situation during regular board meetings
Inability to retain CEO/Senior Management Team	Merger with Age UK Medway mitigates this
Staff retention/recruitment	Work with HR agency and ongoing monitoring

- **Principal funding sources**

Despite many years of receiving numerous legacies, donations and core funding, these resources remain on the decline.

The cessation of core statutory grants, and the replacement of these with competitive contracts will mean that the charity will have to look at full cost recovery for its main services.

The Trustees have continued to look at other ways to fund required services to the community. Future strategy includes the opening of new services which will be self-sustainable or funded by sources other than statutory funding. We also plan to collaborate with other organisations to work to reduce costs and increase reach.

- **Results for the year**

The results for the year are set out within the Statement of financial activities and shows a deficit for the year of £233,546 (2022: surplus of £179,121 as restated), with total income of £988,625 (2022: £1,385,639 as restated) and total expenditure of £1,222,171 (2022: £1,232,543 as restated). As set out

in the Balance sheet, at the reporting date the charity holds total funds of £691,896, with £519,086 being held in designated funds, £42,673 in restricted funds, and £130,137 in unrestricted general funds.

Structure, governance and management

· Constitution

Age UK Faversham and Sittingbourne is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

· Methods of appointment or election of Trustees

Age UK Faversham and Sittingbourne recognises that effective trustee recruitment and training is one of the fundamental principles underpinning its governance.

The charity also recognises that members of the governing body should have a diverse range of skills, experience and knowledge. Furthermore, they should represent stakeholders and service users and aim to reflect the local community.

The recruitment process is undertaken openly with all prospective candidates being given a realistic understanding of the duties involved and the remit and the structure of the charity.

All Trustees are recruited in accordance with the charity's governing document.

· Organisational structure and decision-making policies

General control and management of the administration of the charity is carried out by the Board of Trustees who are appointed by way of nomination and election by the membership in accordance with the procedures detailed in the governing documents.

The Board of Trustees is authorised to appoint new trustees to fill vacancies through resignation or death of an existing trustee. Prospective trustees are interviewed by the Chair and Chief Executive Officer and, if appointed, are provided with a role description, and are required to undertake induction training in the work of the organisation and its policies and procedures.

Trustees formulate the strategic direction of the Charity and have overall responsibility for ensuring that the Charity has appropriate systems of control, financial and otherwise. Responsibility for day-to-day management of services is delegated to the Chief Executive Officer.

Systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic plan and annual budget approved by the Trustees.
- regular consideration by the Trustees of financial results, variance of budgets, non-financial performance
- indicators and benchmarking reviews.
- delegation of authority and segregation of duties.
- identification and management of risk, and;
- regular review of the Charity's policies and procedures.

The charity is a Brand Partner of Age UK and is required to meet the national Charity Quality Standards laid down by them.

· Policies adopted for the induction and training of Trustees.

New trustees are given an information pack which includes copies of the charity's governing documents and other relevant information. They are also given induction training and the support that they require

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

to undertake their duties effectively. Ongoing training is identified through annual reviews and arrangements made for relevant training to be provided from either the charity or other external sources.

Trustees also receive regular briefings on the work of the charity to help them ensure that its stated aims and objectives are being carried out in a proper manner within the financial resources available for that purpose.

· **Employee Involvement**

Employees have been consulted on issues of concern to them by means of regular check-ins, appraisals, and staff meetings, and have been kept informed on specific matters directly by management, this has been mainly by electronic means due to the difficulty of getting all of the team in one place at the same time. All staff briefings are recorded and circulated by email.

The Charity has implemented a number of detailed policies and procedures in relation to all aspects of personnel and service delivery matters, including equality and diversity; health and safety; the protection of vulnerable adults; data protection; and confidentiality etc.

Plans for future periods.

The resignation of an experienced Chief Executive Officer has prompted the board of trustees to review the future of the organisation and has made the decision to merge the charity with another local charity, Age UK Medway. The trustees believe this will strengthen the charity's and enable them to reach more beneficiaries and allow greater cost control and sustainability for the organisation.

Funding continues to be both a key risk and a key priority for the charity. The move by Kent County Council away from core grants, and towards contracts is unlikely to be reversed.

The last three years have been a very difficult time for the charity, but the Trustees are confident that a merger with Age UK Medway brings a much brighter future. The charity's purpose is to meet the needs of the over 55's in the community we serve, and the Trustees are confident that this will continue to be achieved and will continue to grow.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. 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 charity and of the income resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Disclosure of information to auditor

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

- as far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of Trustees on 5 December 2023 and signed on their behalf by:

Mrs D Jackson/Reed
Chair

Mrs L Ferguson
Treasurer

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Opinion

We have audited the financial statements of Age UK Faversham and Sittingbourne ("the charitable company") for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

We obtained an understanding of the legal and regulatory framework applicable to the preparation of the financial statements of the charity, and the procedures that management adopt to ensure compliance. We have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Companies Act 2006 and the Charities SORP FRS 102.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations and to avoid material penalties, including the safeguarding of vulnerable people, the charity quality standards set by Age UK National and GDPR regulations.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically, we:

- Selected a team with sector experience to perform the audit;
- Obtained an understanding of the charity's procedures for ensuring compliance with laws and regulations;
- Obtained and reviewed internal policy and procedure documents;
- Made enquiries of management and the trustees regarding whether they were aware of any actual or suspected incidences of non-compliance with laws and regulations;
- Obtained and reviewed meeting minutes;
- Checked that relevant staff have DBS checks in place;
- Reviewed legal expenses accounts for indications of any possible non-compliance; and
- Reviewed the completeness and accuracy of any disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur. This was performed by:

- Making an assessment of the charity's control environment, systems and controls including identifying any weaknesses and considering the risk of management override of controls;
- Assessing the susceptibility of the charity's financial statements to material misstatement, including considering how fraud could occur;
- Considering whether there are any incentives or opportunities for management to manipulate financial results;
- Obtaining and evaluating the trustees' assessment of the risk of fraud, and enquiring as to whether they are aware of any actual or suspected incidences of fraud;
- Reviewing the accounting policies and accounting estimates for signs of management bias; and
- Identifying key risks relating to irregularities as relating to revenue recognition and cut-off, additional external scrutiny in relation to the upcoming merger and management override of controls.

We then designed audit procedures in response to the risks identified, including performing substantive testing on all material income streams, reviewing the impact of the upcoming merger on the charity and reviewing journal entries and accounting estimates, including the allocation of costs in the accounts.

The audit has been planned and performed in accordance with auditing standards, however, because of the inherent limitations of audit procedures there remains a risk that we will not detect all irregularities, including those that may lead to material misstatements in the financial statements. There are inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, for example due to concealment, override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less audit procedures are able to identify it.

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

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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 and 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 company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A S Healey FCA CTA DChA
Senior Statutory Auditor
For and on behalf of:
Lindeyer Francis Ferguson Limited

Statutory Auditors
Chartered Accountants

Date: 13 December 2023

North House
198 High Street
Tonbridge
Kent TN9 1BE

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

		<i>Unrestricted funds 2023</i>	<i>Restricted funds 2023</i>	<i>Total funds 2023</i>	<i>Total funds 2022 Restated</i>
	Note	£	£	£	£
Income from:					
Donations and legacies	4	72,024	109,354	181,378	742,133
Charitable activities	5	728,216	-	728,216	597,970
Other trading activities	6	38,468	-	38,468	11,831
Investments	7	40,562	-	40,562	33,705
Total		879,270	109,354	988,624	1,385,639
Expenditure on:					
Raising funds	8	26,680	-	26,680	8,724
Charitable activities	9	1,070,718	124,772	1,195,490	1,223,819
Total		1,097,398	124,772	1,222,170	1,232,543
Net gains / (losses) on investments:	15	-	-	-	26,025
Net (expenditure) / income		(218,128)	(15,418)	(233,546)	179,121
Transfers between funds		35,360	(35,360)	-	-
Net movement in funds		(182,768)	(50,778)	(233,546)	179,121
Reconciliation of funds:					
Total funds brought forward:					
As originally stated		816,958	67,024	883,982	730,886
Prior period adjustment	3	41,460	-	41,460	15,435
As restated		858,418	67,024	925,442	746,321
Total funds carried forward		675,650	16,246	691,896	925,442

The statement of financial activities includes all gains and losses recognised in the year.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

BALANCE SHEET
AS AT 31 MARCH 2023

		2023	2023	2022	2022
	Note	£	£	Restated £	£
Fixed assets					
Tangible assets	14		296,361		325,011
Investment property	15		51,930		51,930
			<u>348,291</u>		<u>376,941</u>
Current assets					
Stocks		1,372		4,068	
Debtors	16	93,574		59,038	
Cash at bank and in hand		368,455		589,652	
		<u>463,401</u>		<u>652,758</u>	
Creditors: amounts falling due within one year	17	(67,959)		(51,235)	
Net current assets			395,442		601,523
Creditors: amounts falling due within one year	18		(51,837)		(53,022)
Total net assets			<u>691,896</u>		<u>925,442</u>
The funds of the charity:					
Unrestricted funds			675,650		858,418
Restricted funds			16,246		67,024
	19		<u>691,896</u>		<u>925,442</u>

The financial statements were approved by the Board of Trustees on 5 December 2023 and were signed on its behalf by:

Mrs D Reed

Mrs L Ferguson

Company number: 08412045

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Note	£	£
Cash flows from operating activities:			
Net cash (used in) / provided by operating activities	A	(265,162)	105,874
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,556)	(50,731)
Proceeds from the sale of fixed tangible assets		8,144	7,000
Investment income		40,562	33,705
Net cash provided by / (used in) investing activities		45,150	(10,026)
Cash flows from financing activities:			
Repayments of borrowing		(1,185)	(5,000)
Net cash used in financing activities		(1,185)	(5,000)
Change in cash and cash equivalents in the year		(221,197)	90,848
Cash and cash equivalents at the beginning of the year		589,652	498,804
Cash and cash equivalents at the end of the year	B	368,455	589,652
A. Reconciliation of net income to net cash flow from operating activities			
Net (expenditure) / income per the Statement of Financial Activities		(233,546)	153,096
Depreciation charges		29,358	24,604
Investment income		(40,562)	(33,705)
Profit on disposal of fixed assets		(5,296)	(7,000)
Decrease / (increase) in stocks		2,696	(1,631)
(Increase) in debtors		(34,536)	(10,005)
Increase / (decrease) in creditors		16,724	(19,485)
Net cash (used in) / provided by operating activities		(265,162)	105,874
		2023	2022
		£	£
B. Analysis of cash and cash equivalents			
Cash at bank and in hand		368,455	589,652
C. Analysis of changes in net debt			
		Bank loans	
	Cash at	Due within	Due after one
	bank	one year	year
	£	£	£
At the beginning of the year	589,652	(4,405)	(53,022)
Cash flows	(221,197)	1,185	-
Maturity analysis	-	(1,185)	53,022
At the end of the year	368,455	(4,405)	-

1 ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Age UK Faversham and Sittingbourne 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 note(s).

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Going concern

The Trustees have assessed that there are no significant doubts in the company's ability to continue as a going concern. As a result, the financial statements have been prepared on a going concern basis.

Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds, in which case the income is recognised when the conditions have been met. Where grants are received in response to a proposal including a budgeted timescale, such that the timescale for the expenditure is implicit in the grant agreement, the income is recognised in accordance with that timescale.

Income from legacies is recognised when, the charity is entitled to the income, there has been a grant of probate, the executors have established that there are sufficient assets in the estate to pay the legacy, any conditions attached are within the control of the charity or have already been met and the amount can be measured reliably.

Income from charitable activities is recognised in the period in which the relevant services are delivered. Income from performance-related grants in connection with the charitable activities is recognised to the extent that the performance-related criteria have been met.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES continued

Expenditure

Expenditure is recognised on the accruals basis when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be estimated reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All expenditure is inclusive of irrecoverable VAT.

Fund accounting

General funds are unrestricted funds which can be used in accordance with the charitable objectives at the discretion of the Trustees.

Designated funds are a subset of unrestricted funds and represent funds set aside by the Trustees for specific future purposes or projects.

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Freehold land	Not depreciated
Freehold buildings	2% on the straight line basis
Motor vehicles	20% on the reducing balance basis
Fixtures and fittings	25% on the straight line basis

Assets costing less than £1,000 are not capitalised but are recognised as expenditure in the Statement of Financial Activities in the year incurred.

1 ACCOUNTING POLICIES continued

Investment property

Investment properties are initially recognised at cost and subsequently measured at fair value. Fair value has been determined from an external valuation report for the whole property, with the element of investment property being calculated based in square foot. This is the main accounting estimate requiring significant judgement to be exercised. Changes in fair value are recognised in the statement of financial activities.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Financial instruments

The charity only has financial instruments of a kind that qualify as basic financial instruments. Short term basic financial instruments such as trade debtors and trade creditors are initially recognised at transaction value and subsequently measured at their settlement value. Long term basic financial instruments such as bank loans initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Leases

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

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Payments to defined contribution pension schemes are charged as an expense as they fall due.

Critical accounting estimates and areas of judgement

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

The key source of estimation uncertainty at the balance sheet date relates to the property valuations. The trustees have reviewed the property valuation obtained and made an estimate as to their fair market value at the year end.

2 STATUS

Age UK Faversham & Sittingbourne is a company limited by guarantee with the company registration number 08412045 (England and Wales) and the charity registration number 1152234. The address of the registered office is The Old Fire Station, Crescent Road, Faversham, Kent, ME13 7GU.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3 PRIOR PERIOD ADJUSTMENTS

A prior period adjustment has been made to recognise an element of the freehold building as investment property, due to the property meeting the definition of mixed use.

The effect on the comparative figures was to increase opening unrestricted funds by £15,435 and increase unrealised gains by £26,025. The net effect on the prior period result was therefore an increase of £26,025.

A prior period adjustment has been made to reclassify contractual income from income from grants and donations to income from charitable activities in the amount of £73,238.

During the preparation of the financial statements the mapping of income and expenditure codes was reviewed and updated. The prior period comparatives were therefore reclassified for comparability. There was no effect on the prior period result, however income from charitable activities reduced by £10,839, income from other trading activities increased by £10,841, expenditure on raising funds increased by £8,016 and expenditure on charitable activities reduced by £8,014.

4 INCOME FROM DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	11,734	16,466
Legacies	22,732	185,673
Grants	146,912	539,994
	<u>181,378</u>	<u>742,133</u>

In the preceding period, income of £140,017 was restricted.

5 INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Wellbeing services	203,995	131,907
F&S food	194,818	233,043
Dementia services	192,404	96,614
Hands to Help	136,999	136,406
	<u>728,216</u>	<u>597,970</u>

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

6 INCOME FROM OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Fundraising events	8,827	990
Staff recharges	27,731	10,841
Other income	1,910	-
	<u>38,468</u>	<u>11,831</u>

7 INCOME FROM INVESTMENTS

	2023	2022
	£	£
Rent receivable	38,774	33,639
Deposit account interest	1,788	66
	<u>40,562</u>	<u>33,705</u>

8 EXPENDITURE ON RAISING FUNDS

	2023	2022
	£	£
Staff costs	2,620	8,011
Consultants and freelancers	20,799	-
Printing, postage, stationery and telephone	229	96
Legal and professional fees	55	-
Other costs	2,977	617
	<u>26,680</u>	<u>8,724</u>

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9 EXPENDITURE ON CHARITABLE ACTIVITIES

	<i>Direct costs 2023 £</i>	<i>Direct staff costs 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total 2023 £</i>
Wellbeing services	32,166	191,893	124,831	348,890
F&S food	155,605	130,496	159,397	445,498
Dementia services	17,331	103,897	67,541	188,769
Hands to Help	15,191	121,170	75,972	212,333
	<u>220,293</u>	<u>547,456</u>	<u>427,741</u>	<u>1,195,490</u>
	<i>Direct costs 2022 £</i>	<i>Direct staff costs 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total 2022 £</i>
Wellbeing services	40,215	243,192	160,314	443,721
F&S food	158,471	110,087	151,915	420,473
Dementia services	19,594	86,627	60,086	166,307
Hands to Help	13,396	110,077	69,845	193,318
	<u>231,676</u>	<u>549,983</u>	<u>442,160</u>	<u>1,223,819</u>

In the preceding period, expenditure of £81,688 was applied to restricted funds.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10 DIRECT COSTS

	2023	2022
	£	£
Catering costs	134,660	110,779
Consultants and freelancers	9,243	38,184
Motor and travel expenses	46,632	37,316
Staff training	1,155	1,116
Staff welfare	153	339
Premises costs	5,945	20,245
Insurance	-	-
Computer costs	1,012	1,488
Printing, postage, stationery and telephone	10,064	6,057
Bank charges and interest	244	294
Bad debts	746	8,020
Legal and professional fees	-	85
Other costs	10,439	7,753
	<u>220,293</u>	<u>231,676</u>

11 SUPPORT COSTS

	2023	2022
	£	£
Staff costs	220,553	191,259
Catering costs	1,173	4,234
Consultants and freelancers	23,754	29,244
Motor and travel expenses	1,260	2,618
Staff training	270	3,671
Staff welfare	4,357	2,702
Premises costs	49,471	90,640
Insurance	11,132	7,268
Computer costs	35,135	33,432
Printing, postage, stationery and telephone	13,721	15,066
Bank charges and interest	7,812	9,200
Bad debts	81	1
Depreciation	29,358	24,604
(Profit) on disposal	(5,296)	(7,000)
Other costs	16,146	24,610
Governance costs:		-
Legal and professional fees	5,194	5,211
Audit and accountancy	13,620	5,400
	<u>427,741</u>	<u>442,160</u>

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NOTES TO THE FINANCIAL STATEMENTS
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12 NET (EXPENDITURE) / INCOME

	2023	2022
	£	£
Net (expenditure) / income is stated after charging / (crediting):		
Operating lease rentals	16,526	12,639
Auditors' remuneration for audit services	13,620	5,400
	<u>29,146</u>	<u>18,039</u>

13 STAFF COSTS

	2023	2022
	£	£
Gross salaries	713,976	701,057
Employer's National Insurance contributions	45,220	38,768
Employer's pension contributions	11,433	9,428
	<u>770,629</u>	<u>749,253</u>

The average number of persons employed by the charity during the year was 47 (2022: 51).

No employee received remuneration amounting to more than £60,000 in either year.

14 TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures, fittings & equipment £	Total £
Cost - as restated				
At 1 April 2022	270,279	84,262	109,169	463,710
Additions	-	-	3,556	3,556
Disposals	-	(6,500)	-	(6,500)
At 31 March 2023	<u>270,279</u>	<u>77,762</u>	<u>112,725</u>	<u>460,766</u>
Depreciation - as restated				
At 1 April 2022	30,495	20,420	87,784	138,699
Charge for the year	4,505	12,510	12,343	29,358
Eliminated on disposal	-	(3,652)	-	(3,652)
At 31 March 2023	<u>35,000</u>	<u>29,278</u>	<u>100,127</u>	<u>164,405</u>
Net book value				
At 31 March 2023	<u>235,279</u>	<u>48,484</u>	<u>12,598</u>	<u>296,361</u>
At 31 March 2022	<u>239,784</u>	<u>63,842</u>	<u>21,385</u>	<u>325,011</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15 INVESTMENT PROPERTY

	Freehold property Restated £
Market value	
At 1 April 2022	51,930
Unrealised change in market value	-
	<hr/>
At 31 March 2023	<hr/> <hr/> 51,930

The freehold property was valued on 26 September 2022 by a RICS qualified surveyor, on an existing use basis.

The historical cost of the investment properties is £11,808.

16 DEBTORS

	2023 £	2022 £
Trade debtors	64,622	55,932
Prepayments and accrued income	28,952	3,106
	<hr/>	<hr/>
	<hr/> <hr/> 93,574	<hr/> <hr/> 59,038

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans	4,405	4,405
Trade creditors	23,924	15,081
Other taxation and social security	12,247	12,882
Other creditors	7,991	3,028
Accruals and deferred income	19,392	15,839
	<u>67,959</u>	<u>51,235</u>
Deferred income:		
Deferred income brought forward	72	-
Released in the year	-	(1,073)
Deferred income arising during current year	10,000	1,145
	<u>10,072</u>	<u>72</u>

Deferred income relates to grant income received in advance of specified time conditions.

18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans: long term	51,837	53,022
	<u>51,837</u>	<u>53,022</u>

The bank loan is secured by way of a legal charge, dated 2 March 2020, over the property at Cresent Road, Faversham. It was repaid in full in June 2023.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19 MOVEMENT ON FUNDS

CURRENT YEAR	<i>Brought forward</i> <i>Restated</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers, gains/losses</i> £	<i>Carried forward</i> £
Restricted funds					
Dementia cafés	8,730	-	(2,804)	-	5,926
COMF Electric People Carrier	32,866	-	-	(32,866)	-
Swale Self-Isolation Fund	20,339	-	(20,339)	-	-
Staff Wellness Grant	650	-	(650)	-	-
Walking Football Fund	1,311	5,000	(6,311)	-	-
ICF	84	-	(84)	-	-
East Kent Strategy PPE	338	-	(338)	-	-
Walking Netball Fund	12	-	(12)	-	-
Swale Household Support Fund	-	71,500	(71,500)	-	-
Swale Cost of Living Fund	-	7,016	(5,939)	-	1,077
UK Community Renewal Fund	-	8,813	(8,813)	-	-
Warm Homes Project	-	5,000	(32)	-	4,968
Club Cycling UK	-	2,525	-	-	2,525
Volunteer Recruitment Programme	-	3,750	(3,750)	-	-
Other restricted funds	2,694	5,750	(4,200)	(2,494)	1,750
	67,024	109,354	(124,772)	(35,360)	16,246
Unrestricted funds					
General fund	358,633	879,270	(1,065,120)	(42,646)	130,137
Designated funds:					
Fixed asset fund	344,075	-	(24,062)	28,278	348,291
Redundancy fund	125,374	-	-	15,064	140,438
Building fund	15,336	-	-	34,664	50,000
IT Sales Force fund	15,000	-	(8,216)	-	6,784
	858,418	879,270	(1,097,398)	35,360	675,650
Total funds	925,442	988,624	(1,222,170)	-	691,896

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NOTES TO THE FINANCIAL STATEMENTS
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19 MOVEMENT ON FUNDS continued

PRIOR YEAR	<i>Brought forward</i> Restated £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers, gains/losses</i> Restated £	<i>Carried forward</i> Restated £
Restricted funds					
Dementia cafés	4,590	4,590	(450)	-	8,730
Colyer Ferguson	4,105	-	(4,105)	-	-
COMF Electric People					
Carrier	-	43,348	(10,482)	-	32,866
Swale Self-Isolation Fund	-	25,000	(4,661)	-	20,339
Staff Wellness Grant	-	650	-	-	650
Walking Football Fund	-	5,000	(3,689)	-	1,311
WRRF	-	5,225	(5,225)	-	-
ICF	-	32,660	(32,576)	-	84
Bensted Charity Grant	-	1,500	(1,500)	-	-
East Kent Strategy PPE	-	1,000	(662)	-	338
Swale Lighting Grant	-	9,095	(9,095)	-	-
Clothworker Foundation					
Fund	-	5,000	(5,000)	-	-
Walking Netball Fund	-	3,439	(3,427)	-	12
Other restricted funds	7,447	3,510	(816)	(7,447)	2,694
	<u>16,142</u>	<u>140,017</u>	<u>(81,688)</u>	<u>(7,447)</u>	<u>67,024</u>
Unrestricted funds					
General fund	270,678	1,245,622	(1,112,710)	(44,957)	358,633
Designated funds:					
Fixed asset fund	324,788	-	(23,481)	42,768	344,075
Redundancy fund	134,713	-	-	(9,339)	125,374
Building fund	-	-	(14,664)	30,000	15,336
IT Sales Force fund	-	-	-	15,000	15,000
	<u>730,179</u>	<u>1,245,622</u>	<u>(1,150,855)</u>	<u>33,472</u>	<u>858,418</u>
Total funds	<u><u>746,321</u></u>	<u><u>1,385,639</u></u>	<u><u>(1,232,543)</u></u>	<u><u>26,025</u></u>	<u><u>925,442</u></u>

19 MOVEMENT ON FUNDS continued

Material restricted funds are as follows:

COMF Electric People Carrier

This funding was received for the costs of the people carrier and associated staff and running cost. As the vehicle has been acquired and all other costs spent, the remainder has been transferred the designated fixed asset fund.

Swale Self-Isolation Fund

This fund covered costs for senior staff to continue working during self-isolation for the purpose of business continuity.

Swale Household Support Fund

This fund covers the purchase of food for vulnerable clients.

Material designated funds are as follows:

Fixed asset fund

These are funds set aside due to the illiquid nature of the building asset it relates to

Redundancy fund

This designated fund was created in the comparative period to allow for staff redundancy provision in the event of the charity being wound up.

Building fund

This is money set aside for any emergency repairs, including a roof which will need replacement at some point in the near future.

IT Sales Force fund

This is an amount set aside until the new IT Sales Force system is fully operational.

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NOTES TO THE FINANCIAL STATEMENTS
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20 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>Total funds £</i>
CURRENT YEAR			
Tangible fixed assets	348,291	-	348,291
Net current assets	379,196	16,246	395,442
Creditors: amounts falling due within one year	(51,837)	-	(51,837)
	<u>675,650</u>	<u>16,246</u>	<u>691,896</u>
PRIOR YEAR			
Tangible fixed assets	344,075	32,866	376,941
Net current assets	567,365	34,158	601,523
Creditors: amounts falling due within one year	(53,022)	-	(53,022)
	<u>858,418</u>	<u>67,024</u>	<u>925,442</u>

21 PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £11,433 (2022: £9,428). Contributions totalling £71 (2022: £57) were payable to the fund at the balance sheet date and are included in other creditors.

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NOTES TO THE FINANCIAL STATEMENTS
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22 FINANCIAL COMMITMENTS

At 31 March 2023 the charity was committed to future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Due within one year	5,140	5,124
Due in two to five years	2,520	3,204

23 RELATED PARTY TRANSACTIONS

The key management personnel are considered to be the trustees, Clare Burgess (CEO) and Claire Ives (Head of Client Services).

There were no trustees' remuneration, reimbursed expenses nor other benefits during the current or preceding period.

The total amount of employee benefits (including employer's pension contributions) received by key management personnel during the year was £87,867 (2022: £64,980).

During the year purchases were made from Baldy Butchers, an entity which is connected to a member of the key management personnel, totalling £25,394 (2022: £18,598). At the year end a balance of £1,996 (2022: £1,411) was due to the entity.

24 POST BALANCE SHEET EVENTS

Following the year end the decision has been take that the charity will merge with Age UK Medway on 1 August 2023. The activities undertaken by the charity will be transferred to Age UK Medway and will continue to run in their current form.