

**Charity number: 1155211**

**Age UK Sheppey CIO**

**Trustees' report and financial statements**

**for the year ended 31 March 2021**

## **Age UK Sheppey CIO**

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## **Age UK Sheppey CIO**

### **Reference and administrative details of the Charity, its Trustees and Advisers for the year ended 31 March 2021**

#### **Trustees**

Mr A Doucy, Chair  
Mr N Martin  
Mr P Taylor, Vice Chair  
Mr P Murray  
Mrs S Wigglesworth

#### **Charity registered number**

1155211

#### **Principal office**

43 Trinity Road  
Sheerness  
Kent  
ME12 2PF

#### **Chief executive officer**

Mrs K Moore

#### **Independent auditor**

Kreston Reeves LLP  
Chartered Accountants  
Statutory Auditor  
Montague Place  
Quayside  
Chatham Maritime  
Chatham  
Kent  
ME4 4QU

#### **Bankers**

Barclays Bank  
12 Broadway  
Sheerness  
Kent  
ME12 1AE

**Trustees' report  
for the year ended 31 March 2021**

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The Trustees present their annual report together with the audited financial statements of the Charity for the year from 1 April 2020 to 31 March 2021.

**Objectives and activities**

**a. Policies and objectives**

The Charity's aim is to increase the reach of Age UK Sheppey CIO, enabling more people to access beneficial support, to promote the wellbeing of all older people and to make later life a fulfilling and enjoyable experience.

Key objectives are to:

- Maintain and continue to develop quality social opportunities.
- Continue developing our core community services including home support, meals delivery, befriending, companionship and virtual support groups and to support more people in their own homes assisting them to live independently for longer.
- Increase the capacity of service users on our Information and Advice service.
- Listen to older people, identifying their needs to be able to offer person-centred support wherever possible.
- Expand upon existing services as well as establish new wellbeing services to meet identified needs e.g. people with a cognitive impairment, suffering ill-health, disability, feeling socially isolated, facing financial hardship, etc.
- Expand upon the number of volunteers supporting our services.
- Remain compliant as well as taking reasonable measures to ensure we are as Covid-19 secure as practically possible, mitigating risk wherever possible.

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)'.

**b. Strategies for achieving objectives**

To enable us to achieve our objectives to a wider audience, we have adopted a number of strategies to assist us, including:

- Working closely with an extensive array of local organisations to collectively provide more coherent and coordinated support for older people, their carers and families in our local community.
- Working in partnership with our local GP surgeries (Sheppey Primary Care Network), Community Navigators and KCC Community Wardens to share resources, signpost to a wide range of community initiatives and link like minded people together to help reduce loneliness and isolation.
- Continue to work closely with our Kent Age UK's / Age Concerns as we remain facing challenges with local government Kent County Council grant funding.
- Seeking external funding to assist and enhance both our in-house centre-based and community services on offer.
- Continue to recruit and retain multi-skilled staff and volunteers to enhance and strengthen our existing team including providing appropriate training and development opportunities for them all.

**Trustees' report (continued)  
for the year ended 31 March 2021**

**Objectives and activities (continued)**

- Maintaining both our ISO 9001:2015 and Age UK's Charity Quality Standards certifications which are recognised by Charity Commission and have been upheld by our organisation since 2014 undergoing regular inspections.
- Our ongoing strategy very much includes promoting greater awareness of the services that Age UK Sheppey CIO can provide in order to ensure we have a greater impact within our local community. We continue to raise our profile with the aid of local press, radio stations, working collaboratively with local businesses and similar organisations as well as utilising our own social media sites and website resources.
- Alongside developing our existing services, we continue to explore the introduction of additional services in conjunction with our current activities offered and which can provide added benefit to all service users.
- Follow and comply with latest government / Public Health England / NHS guidelines in respect of Covid-19 wherever possible.

**c. Activities undertaken to achieve objectives**

- Day Services – including social day clubs, dementia support, footcare, and hearing aid battery exchange. Drop-in clinics, regular activity events, escorted day trips, hearing aid clinics and computer clubs were suspended due to Covid-19 restrictions.
- Community Services – including freshly cooked, homemade hot and cold meals delivery, home support, restricted level of companionship, shopping and prescription collections/deliveries and welfare calls/visits. Dementia cafes, befriending, non-essential home support calls and companionship calls were suspended during Covid-19 restrictions.
- Information and Advice - appointments available in person (following Covid-19 guidelines), over the telephone or by virtual means.
- Virtual Support Groups – set up as a result of our day centres being suspended during Covid-19 restrictions.
- Marketing and advertising our services via local press and radio, leaflet distribution, collection tins held by local businesses and key establishments, working in collaboration with other similar networking groups, as well as utilising our own website and social media outlets.
- Actively working in conjunction with similar organisations including Sheppey Primary Care Network, Imago, Sheppey Dementia Friendly Community, Lighthouse Group, Sheppey Community Development Forum, and local council focus groups to raise awareness and make improvements to support and aid all local residents.
- Regular in-person meetings suspended during Covid-19 restrictions and necessary activities moved to virtual means.
- Fundraising events and activities, raffles and donations.
- Limited opportunities for events and activities to take place due to Covid-19 restrictions.
- Volunteering – including recruiting individuals both on a regular and ad-hoc basis.
- Due to Covid-19 restrictions, our usual process of providing placements for HMP Standford Hill's 'Working Out Scheme' and providing regular work experience for local schools, colleges and university students pursuing a wide range of health and social care, social work or nursing studies was temporarily suspended.
- Regular internal and external reviews of all services by means of regular meetings for management teams, departmental teams and volunteers.
- Our regular User Group (comprising of 5-6 key clients appointed to represent the others) meetings and regular satisfaction surveys / feedback forms carried out with both service users at home and in our centres were suspended due to Covid-19 restrictions.
- Covid-19 compliant measures put in place throughout our day centres and across all our community services

**Trustees' report (continued)  
for the year ended 31 March 2021**

**Objectives and activities (continued)**

**d. Impact**

The Isle of Sheppey is located off the northern coast of Kent, made up of six main electoral wards and covers an area of 36 square miles. Sheppey suffers from a high proportion of deprivation and isolation along with lack of employment opportunities, community facilities, insufficient infrastructure with a rather sporadic public transport system. It is estimated around 23% of Sheppey's population is over 65, with around 3% being over 85 and is a popular retirement location.

The number of people reaching out to Age UK Sheppey increases year on year with demand on our services becoming more and more stretched due to restrictive funding available. With such a vast area to cover across Sheppey along with quite often feeling like a closed off community from the mainland, it is apparent how our services are critical to local residents. We are told on a regular basis how we provide a much needed lifeline, not only direct to service users, but also their families and friends too. With our team being readily available, we are able to help relieve tension and worry by providing a 'one stop shop' empowering older people and providing them with the tools and skills to live independently for longer.

Without our core services on offer and the social opportunities we provide, we have no doubt many older people living on Sheppey would quickly feel lonely and isolated stuck indoors with limited or, in some cases, nowhere suitable for them to go. Our clubs provide a day filled with fun, laughter, activities and companionship, which is known to help with mental and physical health as well as their wellbeing meaning fewer people needing access to and putting an ever-increasing strain on local authority services.

With the added impact of Covid-19, our core centre-based services suffered primarily due to national lockdown restrictions in place, but alongside us taking reasonable measures, tracking our local Covid-19 rate in Swale on a daily basis and making the decision to close our doors in March 2020. Income revenue was severely hit, although we were fortunate to receive a proportion of emergency Covid-19 funding allowing us to retain full staff, avoid furlough measures and adapt our services accordingly.

We remain committed to serving our local community in the best way we can and are always looking for ways to improve upon services offered. Funding opportunities are crucial to us maintaining a high calibre of service along with allowing the opportunity to expand with new projects meeting current community needs and demands. We always welcome the opportunity to work alongside and in conjunction with other external organisations, increase our outreach and knowing that together we can make a real difference on Sheppey.

**Achievements and performance**

**a. Review of activities**

Our services are accessible to those aged 50 years and over and, through achievements for the public benefit, we supported an estimated 2,448 individuals by way of them accessing one of our many services included within the following broad headings:

- **Day Services**

Age UK Sheppey CIO operate from 2-day centres on the Isle of Sheppey; Rosemary House being the largest based in the main town of Sheerness and Roxeth is a smaller centre in Bay View serving Sheppey East area. Both centres provide a suitable range of social opportunities and well-being services Monday to Friday (excluding Bank Holidays) and our Rosemary House Centre acts as a community hub for local, older people, especially during Covid-19 lockdowns when the vast majority of other local venues were closed.

Due to Covid-19 restrictions, centre-based services were suspended at both centres on 17th March 2020. Rosemary House Centre only reopened for a period on 3-weeks during October 2020, but due to the severity of local Swale rates being so high, services were suspended once again and reviewed in April 2021.

**Trustees' report (continued)  
for the year ended 31 March 2021**

**Achievements and performance (continued)**

**Day Clubs** – Activities offered across both centres with a dedicated team on hand to facilitate this service. Suitably adapted wheelchair friendly vehicles are available providing door-to-door transport, if required, and many clients attend on a walk-in basis. We provide a small breakfast menu as well as serving a hot two-course lunch each day and will cater for special dietary needs wherever possible.

**Footcare** – Our chiropody service is operated by a Foot Health Care Professional every Monday (excluding Bank Holidays).

**Equipment Hire** – Wheelchairs and portable commodes are hired weekly for a small nominal fee with a general increase in demand during seasonal holiday periods.

**Hearing Aid Battery Exchange** – Free service offering battery exchange (new for used) upon producing your NHS battery exchange book.

- Community Services

**Meals Delivery Service** – Demand on our freshly cooked hot two-course delivery services has seen a 285% increase in the past year delivering 16,220 hot meals to people in their own homes along with 1,059 take-away frozen meals and 1,841 snack packs. Wherever possible, food used is sourced locally and we can cater for most special dietary requirements, including food allergies and/or intolerances, offering suitable alternatives. Well balanced nutritional weekly menus are produced by our kitchen team and deliveries to those living in sheltered housing has continued reflecting the trend of supporting the more vulnerable.

**Home Support and Companionship** – This holistic service provides an extensive range of domestic tasks helping to support service users remain independent and the continued employment of a dedicated coordinator and administrator has continued to play a pivotal role maintaining the high calibre of service. Packages are tailored to meet specific needs and we carried out in excess of 8,196 operational hours across this service which is a 9% increase on the previous year.

**Shopping and Prescription Collections / Deliveries** – This service was set up late March 2020 in response to Covid-19 pandemic and we supported in excess of 420 shopping and 301 prescription collections/deliveries.

**Welfare Calls and Visits** – This service was set up mid-March 2020 when both our day centre services were suspended and Covid-19 restrictions in place. Welfare calls and visits were conducted either in person (socially distanced), over the phone or by virtual means. We supported in excess of 3,315 telephone welfare calls, 2,895 welfare visits and over 260 virtual checks.

**Virtual Support Club** – This service was set up June 2020 in response to Covid-19 pandemic and our centre-based day services being suspended. Even though we were unable to facilitate clients enjoying a day of activities at our centres, we run daily 2-hour sessions by virtual means (Zoom) which allowed us to keep them engaged, their minds active and would help with their overall wellbeing whilst being at home. Our sessions proved popular with 2,051 virtual club attendances from June 2020 to end of March 2021. We also purchased suitable IT equipment (iPads with sim cards) to loan out to those wishing to join the club, but with no means to facilitate activity from their own homes.

- Dementia Services

**Cogs Club** – For those with a mild to moderate dementia diagnosis providing a day of purposeful activity and stimulation with an aim to helping maintain active minds and bodies. Two clubs held each week with around 6 attendees in each group.

**Trustees' report (continued)  
for the year ended 31 March 2021**

**Achievements and performance (continued)**

- Information and Advice Service

The free service offering confidential and impartial advice on welfare benefits and all associated aspects to service users, their families, carers and the wider community on Sheppey. Both home visits and centre appointments are made – full Covid-19 restrictions adhered to and only the most essential visits were completed in person – other completed over the telephone or by virtual means. All visits are made for older people requiring initial assistance to understand their entitlements and the subsequently completing the form filling process. Over the course of the year we made 697 contacts securing a high volume of funding benefits through services including benefit checks, Attendance Allowance, Disability Living Allowance, Pension Credit, Personal Independence Payment, Housing Benefit, Council Tax Disregards and Benefits, EON Warm Homes Project, Blue Badge applications as well as other ad-hoc form filling.

- Volunteering

Our dedicated volunteers continue to provide invaluable support to our clients, staff and services although many of our volunteering pool were unavailable to carry out their normal duties due to Covid-19 restrictions. We would also normally benefit from having regular additional support provided through HMP Stanford Hill 'Working Out Scheme', although this service was also suspended due to Covid-19 restrictions.

- Organisation

We continue to participate in working collectively with Kent Age UK's/Concerns and others associated within the Kent Consortium as KCC evolves its policy towards contracting its support for older people. We also continue to participate in developing a joint approach with other Age UK's to demonstrate the impact of our activities for older people across Kent.

We upheld our ISO:9001 2015 accreditation in November 2020 as well as Age UK's Charity Quality Standards carried out by ACS Registrars.

Cloud-based client management system, People Planner, is up and running within our Home Support service which also assists with day-to-day rostering and team data management.

Due to Covid-19 restrictions, the following services were suspended from April 2020 to March 2021:

**Walk-In Lunch Club** – allowing people the option of spending 2-hours engaging with others whilst enjoying a home cooked meal.

**Dementia Day Break Club** – Held every Monday at Rosemary House Centre and is hosted by a dedicated member of staff and volunteer. Freshly cooked two-course lunch and refreshments included.

**Dynamos Club** – Held every Wednesday at Rosemary House Centre for younger people with early on-set dementia diagnosis and is hosted by a dedicated member of staff and volunteer. Freshly cooked two-course lunch and refreshments included.

**Dementia Drop-In Clinics** – Held monthly as one-stop clinic attended by health care professionals along with many other useful service representatives offering free support and guidance to carers and those cared for.

**Dementia Cafes** – Established in designated accessible areas across Sheppey to ensure there is maximum coverage as we appreciate not all service users have their own transport and local public transport can be intermittent. A dedicated team member would facilitate each session providing social opportunities mainly aimed at people caring for a loved one with dementia. The cafes provide a welcoming space to drop by, have a chat, make friends and exchange experiences.



**Trustees' report (continued)  
for the year ended 31 March 2021**

**Achievements and performance (continued)**

**Sprockets Club** – Free monthly club providing refreshments, a chat and friendship for people supporting a loved one with dementia. Sessions run by a dedicated volunteer who also assists with weekly dementia groups at Rosemary House so is familiar with a proportion of attendees.

**Hearing Aid Clinic** – Hi Kent operate a monthly drop-in hearing aid and maintenance clinic at Rosemary House Centre for service users to get their hearing aid equipment checked with minor adjustments and repairs completed on site.

**Computer Training** – Free, basic 2-hour computer training sessions held at Rosemary House Centre and run by a dedicated volunteer.

**Befriending** – Free service providing one-to-one befriending in people's homes facilitated mainly by approved volunteers and operationally overseen by a volunteer coordinator.

**Financial review**

**a. 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.

**b. Reserves policy**

The Trustees have considered Charity Commission guidance and have reviewed their reserves policy in light of current funding and financial climate. The reserves are made from the Charity's unrestricted income fund, and are in addition to the restricted funds shown in the notes to the financial statements.

£100,000 Funding loss contingency reserve.

£105,000 "Castlewell" Reserve – for repairs and replacements, taken from the process of sale of Castlewell premises at Queenborough.

£25,000 Redundancy Reserve – to cover potential cost of redundancy payments.

**c. Principal funding**

With donations, legacies and core funding opportunities on the decline, along with the uncertainty of local government statutory grants, there was a need to impose a modest price increase in April 2019. Affordability remains a key issue on the Isle of Sheppey as it includes some of the most deprived areas for pensioner poverty in the country. Further new services are needed which will be self-sustainable or funded by sources other than statutory funding.

**d. Results for the year**

In summary, income amounted to £775,729 (2020: £565,371) and expenditure to £528,927 (2020: £544,380). There is a resulting net surplus for the year of £246,802 (2020: £20,991).

As at 31 March 2021, the total funds of the Charity stood at £1,027,378 (2020: £780,576), of which £339,966 (2020: £338,726) is held in designated funds, £55,517 (2020: £82,085) in restricted funds and £631,895 (2020: £359,765) in general unrestricted funds.

**Trustees' report (continued)  
for the year ended 31 March 2021**

**Structure, governance and management**

**a. Constitution**

Age UK Sheppey CIO was registered on 7 January 2014. Prior to this date the Charity was registered as an unincorporated charity called Age Concern Sheppey T/A Age UK Sheppey (registration number 271089), this charity has now been dissolved by the Charity Commission.

The principal object of the Charity is to promote the welfare of the elderly in any manner that is deemed charitable within the Isle of Sheppey.

**b. Methods of appointment or election of Trustees**

The governance of the Charity is the responsibility of the Trustees who are elected and co opted under the terms of the Constitution.

**c. Organisational structure and decision-making policies**

The Charity is governed by the Board of Trustees which is elected annually to oversee the organisation and running of the Charity. The Board of Trustees are responsible for approving all policies and meet on a regular basis. The day-to-day management of the Charity is devolved to the Chief Officer and staff team.

**d. Policies adopted for the induction and training of Trustees**

Trustees are recruited on the basis of the skills, knowledge and expertise required by the Board of Trustees to fulfil its governance role effectively. An induction procedure is followed and training is tailored according to individual needs.

**e. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**Plans for future periods**

Although KCC has delayed the ending of their grant towards services for older people, we anticipate working with KCC in their commissioning processes in the coming months and eventually working to a programme of procured outcomes for older people in future years. Funding reductions of grants and in procurement are inevitable. We will continue to evolve our services to maintain a wide range of support to meet the needs of older people on the Isle of Sheppey.

**Age UK Sheppey CIO**

**Trustees' report (continued)  
for the year ended 31 March 2021**

**Statement of Trustees' responsibilities**

The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its income 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the . 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.

**Disclosure of information to auditor**

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

- so 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.

**Auditor**

The auditor, Kreston Reeves LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the Board of Trustees on 19/01/2022 and signed on their behalf by:



**Mr A Doucy**  
Trustee

**Independent auditor's report to the Members of Age UK Sheppey CIO**

**Opinion**

We have audited the financial statements of Age UK Sheppey CIO (the 'Charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its income and application of resources 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 Charities Act 2011.

**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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**Independent auditor's report to the Members of Age UK Sheppey CIO (continued)**

**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 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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements which 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.

**Independent auditor's report to the Members of Age UK Sheppey CIO (continued)**

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

*Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the Charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019) and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to: posting inappropriate journal entries to increase revenue or reduce expenditure; and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

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

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.

**Independent auditor's report to the Members of Age UK Sheppey CIO (continued)**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in my Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of my Auditor's report. However, future events or conditions may cause the Charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity'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 Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP  
Chartered Accountants  
Statutory Auditor

Chatham Maritime

Date: 20/01/2022

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**Statement of financial activities  
for the year ended 31 March 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	3	522,366	28,359	550,725	266,479
Charitable activities	4	205,369	-	205,369	275,421
Other trading activities	5	19,078	-	19,078	21,152
Investments	6	557	-	557	2,319
<b>Total income</b>		<b>747,370</b>	<b>28,359</b>	<b>775,729</b>	<b>565,371</b>
<b>Expenditure on:</b>					
Raising funds	7	392	-	392	3,042
Charitable activities	8	495,098	33,437	528,535	541,338
<b>Total expenditure</b>		<b>495,490</b>	<b>33,437</b>	<b>528,927</b>	<b>544,380</b>
<b>Net income/(expenditure)</b>					
Transfers between funds	15	251,880 21,490	(5,078) (21,490)	246,802 -	20,991 -
<b>Net movement in funds</b>		<b>273,370</b>	<b>(26,568)</b>	<b>246,802</b>	<b>20,991</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		698,491	82,085	780,576	759,585
Net movement in funds		273,370	(26,568)	246,802	20,991
<b>Total funds carried forward</b>		<b>971,861</b>	<b>55,517</b>	<b>1,027,378</b>	<b>780,576</b>

The notes on pages 17 to 33 form part of these financial statements.




Age UK Sheppey CIO

Balance sheet  
as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	11	151,977	152,237
<b>Current assets</b>			
Stocks	12	1,527	2,077
Debtors	13	21,427	38,982
Cash at bank and in hand		861,295	595,094
		<u>884,249</u>	<u>636,153</u>
Creditors: amounts falling due within one year	14	(8,848)	(7,814)
<b>Net current assets</b>		<u>875,401</u>	<u>628,339</u>
<b>Total net assets</b>		<u><u>1,027,378</u></u>	<u><u>780,576</u></u>
<b>Charity funds</b>			
Restricted funds	15	55,517	82,085
Unrestricted funds	15	971,861	698,491
<b>Total funds</b>		<u><u>1,027,378</u></u>	<u><u>780,576</u></u>

The financial statements were approved and authorised for issue by the Trustees on 19/01/2022 and signed on their behalf by:



Mr A Doucy  
Trustee

The notes on pages 17 to 33 form part of these financial statements.

**Statement of cash flows  
for the year ended 31 March 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	288,268	45,283
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	557	2,286
Purchase of tangible fixed assets	(22,624)	-
<b>Net cash (used in)/provided by investing activities</b>	(22,067)	2,286
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the year</b>	266,201	47,569
Cash and cash equivalents at the beginning of the year	595,094	547,525
<b>Cash and cash equivalents at the end of the year</b>	861,295	595,094

The notes on pages 17 to 33 form part of these financial statements

**Notes to the financial statements  
for the year ended 31 March 2021**

**1. General information**

Age UK Sheppey CIO is a charitable incorporated organisation and an exempt charity incorporated in England and Wales. The registered office is 43 Trinity Road, Sheerness, Kent, ME12 2PF. The Charity's aim is to increase the reach of Age UK Sheppey CIO, enabling more people to access beneficial support, to promote the wellbeing of all older people and to make later life a fulfilling and enjoyable experience.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Age UK Sheppey CIO 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.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Whilst the impact of the Covid-19 pandemic has been assessed by the Trustees, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the Charity's future activities. However, taking into consideration the Charity's level of reserves and the actions they've taken, the Trustees believe that the Charity will be able to continue in operational existence for the foreseeable future.

**Notes to the financial statements  
for the year ended 31 March 2021**

**2. Accounting policies (continued)**

**2.3 Income**

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 income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**2.4 Expenditure**

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

Expenditure 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.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**Notes to the financial statements  
for the year ended 31 March 2021**

**2. Accounting policies (continued)**

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives on the following bases:

Freehold property	- 2% straight line
Leasehold Property	- On a straight line basis over the remaining term of the lease from the date at which the improvements are completed.
Motor vehicles	- 20% straight line
Fixtures & fittings	- 20% straight line

**2.7 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.8 Debtors**

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

**Notes to the financial statements  
for the year ended 31 March 2021**

**2. Accounting policies (continued)**

**2.9 Cash at bank and in hand**

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

**2.10 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

**2.11 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.12 Operating leases**

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

**2.13 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements  
for the year ended 31 March 2021

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	18,046	-	18,046	14,483
Grants	69,480	28,359	97,839	76,522
Government grants	434,840	-	434,840	175,474
	<u>522,366</u>	<u>28,359</u>	<u>550,725</u>	<u>266,479</u>
Total 2020	<u>196,522</u>	<u>69,957</u>	<u>266,479</u>	

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Services income	116,471	116,471	111,842
Day Centre income	88,898	88,898	163,579
	<u>205,369</u>	<u>205,369</u>	<u>275,421</u>
Total 2020	<u>275,421</u>	<u>275,421</u>	

Notes to the financial statements  
for the year ended 31 March 2021

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Special projects and miscellaneous income	17,802	17,802	7,882
Internal fundraising	762	762	8,590
Shop sales	459	459	4,379
External fundraising	55	55	301
	<u>19,078</u>	<u>19,078</u>	<u>21,152</u>
Total 2020	<u>21,152</u>	<u>21,152</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	557	557	2,319
	<u>557</u>	<u>557</u>	
Total 2020	<u>2,319</u>	<u>2,319</u>	

7. Expenditure on raising funds

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising costs	392	392	3,042
	<u>392</u>	<u>392</u>	
Total 2020	<u>3,042</u>	<u>3,042</u>	



Notes to the financial statements  
for the year ended 31 March 2021

8. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds, 2021 £	Total funds 2020 £
Charitable activities	479,524	49,011	528,535	541,338
Total 2020	484,290	57,048	541,338	

Analysis of direct costs

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rent and rates	13,933	-	13,933	19,430
Motor travel expenses	24,082	-	24,082	27,476
Insurances	2,442	-	2,442	6,141
Recruitment expenses	1,750	-	1,750	176
Repairs and maintenance	14,976	-	14,976	16,277
Purchases	58,004	-	58,004	39,196
Telephone	7,499	-	7,499	3,695
Management fees	-	-	-	6,050
People Planner expenses	-	3,578	3,578	6,422
Staff costs	324,901	28,359	353,260	359,427
	447,587	31,937	479,524	484,290
Total 2020	452,907	31,383	484,290	

Notes to the financial statements  
for the year ended 31 March 2021

Analysis of support costs

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Advertising	370	-	370	590
Television licence	157	-	157	154
Printing and computer costs	2,495	-	2,495	1,669
Postage and carriage	582	-	582	671
Office stationery	1,286	-	1,286	1,811
Legal fees	2,298	-	2,298	9,748
Bank charges	2,296	-	2,296	2,676
Clothing costs	47	-	47	402
Training costs	1,038	-	1,038	643
Bad debts	(660)	-	(660)	376
Auditors' remuneration	5,520	-	5,520	5,256
Staff costs	10,698	-	10,698	10,698
Depreciation	21,384	1,500	22,884	22,354
	<u>47,511</u>	<u>1,500</u>	<u>49,011</u>	<u>57,048</u>
Total 2020	<u>55,547</u>	<u>1,501</u>	<u>57,048</u>	

**Notes to the financial statements  
for the year ended 31 March 2021**

**9. Staff costs**

	2021 £	2020 £
Wages and salaries	348,755	353,170
Social security costs	11,408	13,400
Pension costs	3,795	3,555
	<u>363,958</u>	<u>370,125</u>

The average number of persons employed by the Charity during the year was as follows:

2021 No.	2020 No.
<u>32</u>	<u>35</u>

The average headcount expressed as full-time equivalents was:

2021 No.	2020 No.
<u>16</u>	<u>17</u>

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

The remuneration, benefits and management fees received by the Charity's key management personnel in the year, including employer's national insurance contributions, amounted to £105,995 (2020: £87,385).

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no Trustee expenses have been incurred (2020 - £NIL).

Notes to the financial statements  
for the year ended 31 March 2021

## 11. Tangible fixed assets

	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures & fittings £	Total £
<b>Cost or valuation</b>					
At 1 April 2020	75,031	318,339	88,065	27,714	509,149
Additions	-	-	21,490	1,134	22,624
Disposals	-	-	-	(1,104)	(1,104)
At 31 March 2021	<u>75,031</u>	<u>318,339</u>	<u>109,555</u>	<u>27,744</u>	<u>530,669</u>
<b>Depreciation</b>					
At 1 April 2020	31,520	214,328	88,065	22,999	356,912
Charge for the year	1,500	14,668	4,298	2,418	22,884
On disposals	-	-	-	(1,104)	(1,104)
At 31 March 2021	<u>33,020</u>	<u>228,996</u>	<u>92,363</u>	<u>24,313</u>	<u>378,692</u>
<b>Net book value</b>					
At 31 March 2021	<u>42,011</u>	<u>89,343</u>	<u>17,192</u>	<u>3,431</u>	<u>151,977</u>
At 31 March 2020	<u>43,511</u>	<u>104,011</u>	<u>-</u>	<u>4,715</u>	<u>152,237</u>

Notes to the financial statements  
for the year ended 31 March 2021

12. Stocks

	2021 £	2020 £
Finished goods and goods for resale	1,527	2,077

13. Debtors

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	15,165	17,568
Other debtors	459	890
Prepayments and accrued income	5,803	20,524
	<b>21,427</b>	<b>38,982</b>

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	38	2
Other creditors	702	-
Accruals and deferred income	8,108	7,812
	<b>8,848</b>	<b>7,814</b>

	2021 £	2020 £
Deferred income at 1 April 2020	2,081	2,075
Resources deferred during the year	2,113	2,081
Amounts released from previous periods	(2,081)	(2,075)
<b>Deferred income at 31 March 2021</b>	<b>2,113</b>	<b>2,081</b>

Notes to the financial statements  
for the year ended 31 March 2021

## 15. Statement of funds

## Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset fund	108,726	-	(21,384)	22,624	109,966
Redundancy reserve	25,000	-	-	-	25,000
Castlewell reserve for renewals and replacements	105,000	-	-	-	105,000
Funding loss contingency reserve	100,000	-	-	-	100,000
	<u>338,726</u>	<u>-</u>	<u>(21,384)</u>	<u>22,624</u>	<u>339,966</u>
<b>General funds</b>					
General funds	<u>359,765</u>	<u>747,370</u>	<u>(474,106)</u>	<u>(1,134)</u>	<u>631,895</u>
<b>Total Unrestricted funds</b>	<u>698,491</u>	<u>747,370</u>	<u>(495,490)</u>	<u>21,490</u>	<u>971,861</u>
<b>Restricted funds</b>					
Doris Harper Day Centre	43,511	-	(1,500)	-	42,011
Lloyds Bank Foundation	-	24,959	(24,959)	-	-
Kent Community Foundation	-	3,400	(3,400)	-	-
People Planner	3,578	-	(3,578)	-	-
KCC Vehicle Replacement Funding	34,996	-	-	(21,490)	13,506
	<u>82,085</u>	<u>28,359</u>	<u>(33,437)</u>	<u>(21,490)</u>	<u>55,517</u>
<b>Total of funds</b>	<u>780,576</u>	<u>775,729</u>	<u>(528,927)</u>	<u>-</u>	<u>1,027,378</u>

Notes to the financial statements  
for the year ended 31 March 2021

## 15. Statement of funds (continued)

## Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Fixed asset fund	129,579	-	(20,853)	108,726
Redundancy reserve	25,000	-	-	25,000
Castlewell reserve for renewals and replacements	105,000	-	-	105,000
Funding loss contingency reserve	100,000	-	-	100,000
	<b>359,579</b>	<b>-</b>	<b>(20,853)</b>	<b>338,726</b>
<b>General funds</b>				
General funds	354,994	495,414	(490,643)	359,765
<b>Total Unrestricted funds</b>	<b>714,573</b>	<b>495,414</b>	<b>(511,496)</b>	<b>698,491</b>
<b>Restricted funds</b>				
Doris Harper Day Centre	45,012	-	(1,501)	43,511
Lloyds Bank Foundation	-	24,961	(24,961)	-
People Planner	-	10,000	(6,422)	3,578
KCC Vehicle Replacement Funding	-	34,996	-	34,996
	<b>45,012</b>	<b>69,957</b>	<b>(32,884)</b>	<b>82,085</b>
<b>Total of funds</b>	<b>759,585</b>	<b>565,371</b>	<b>(544,380)</b>	<b>780,576</b>

**Notes to the financial statements  
for the year ended 31 March 2021**

**Designated funds**

The designated fixed asset fund equates to the net book value of fixed assets at the balance sheet date, excluding the property known as Roxeth which is restricted.

The designated redundancy reserve is monies that have been set aside in order to be used in the event that the Charity need to make any members of staff redundant.

The Castlewell reserve comprises a proportion of the monies generated by the Charity upon selling the Castlewell Day Centre property during the 2015/16 financial year, plus a donation from Southern Water and has been set up in order to fund the costs of any future substantial renewal or replacement costs.

The funding loss contingency reserve has been set up to fund any essential costs through a major reduction in public funding.

**Restricted funds**

The Doris Harper Centre Fund is a restricted fund. In 1999 the freehold property known as Roxeth was conveyed to Age UK Sheppey CIO by the Women's Royal Voluntary Service Trustees Limited, who held the property subject to certain restrictions contained within the Doris Harper Will Trust. These restrictions require the property to be used as an old peoples home, or in a similar capacity, for the local residents of Leysdown and the Isle of Sheppey. Depreciation charged each year on this property is allocated against the fund.

The Lloyds Bank Foundation fund is funds restricted to support the management and administration of the Home Support Service.

The People Planner Grant restricted fund represents grant funding received by the Charity to be used for the acquisition and set up costs of the People Planner software.

During the 2019/20 financial year the Charity received a grant of £34,996 from Kent County Council to be used towards funding two new vehicles. At the Balance Sheet date one of the vehicles had been purchased, and so this has been transferred out of the fund in the year, with the balance carried forward to be used for the purchase of the second vehicle, when required.

**16. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	338,726	-	(21,384)	22,624	339,966
General funds	359,765	747,370	(474,106)	(1,134)	631,895
Restricted funds	82,085	28,359	(33,437)	(21,490)	55,517
	<u>780,576</u>	<u>775,729</u>	<u>(528,927)</u>	<u>-</u>	<u>1,027,378</u>



Notes to the financial statements  
for the year ended 31 March 2021

16. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
Designated funds	359,579	-	(20,853)	338,726
General funds	354,994	495,414	(490,643)	359,765
Restricted funds	45,012	69,957	(32,884)	82,085
	<u>759,585</u>	<u>565,371</u>	<u>(544,380)</u>	<u>780,576</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	109,966	42,011	151,977
Current assets	870,743	13,506	884,249
Creditors due within one year	(8,848)	-	(8,848)
<b>Total</b>	<u>971,861</u>	<u>55,517</u>	<u>1,027,378</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	108,726	43,511	152,237
Current assets	597,579	38,574	636,153
Creditors due within one year	(7,814)	-	(7,814)
<b>Total</b>	<u>698,491</u>	<u>82,085</u>	<u>780,576</u>

Notes to the financial statements  
for the year ended 31 March 2021

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	246,802	20,991
<b>Adjustments for:</b>		
Depreciation charges	22,884	22,354
Dividends, interests and rents from investments	(557)	(2,286)
Decrease in stocks	550	720
Decrease in debtors	17,555	2,781
Increase in creditors	1,034	723
<b>Net cash provided by operating activities</b>	<b>288,268</b>	<b>45,283</b>

19. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	861,295	595,094
<b>Total cash and cash equivalents</b>	<b>861,295</b>	<b>595,094</b>

20. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	595,094	266,201	861,295

**Notes to the financial statements  
for the year ended 31 March 2021**

**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 £3,795 (2020: £3,555). There was £702 outstanding at the Balance sheet date (2020: £Nil).

**22. Operating lease commitments**

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	5,000	5,000
Later than 1 year and not later than 5 years	20,000	20,000
Later than 5 years	5,000	10,000
	<u>30,000</u>	<u>35,000</u>

**23. Related party transactions**

Alan Doucy, Trustee, is the majority shareholder of Sharrock Insurance Serviced Limited. Age UK Sheppey CIO paid £256 (2020: £Nil) to this company during the financial year. There were no amounts outstanding at the Balance sheet date (2020: £Nil).