

Charity number: 1108413
Registered number: 5207254

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AGE UK SHEFFIELD
FINANCIAL STATEMENTS
31 MARCH 2012

AGE UK SHEFFIELD

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AGE UK SHEFFIELD

LEGAL AND ADMINISTRATIVE INFORMATION

Status

A registered charity established by constitution on 13 January 1981. The charity transferred its assets and activities to an incorporated charity on 31 March 2005

Charity number

1108413

Company number

5207254

Principal address

44 Castle Square
Sheffield
S1 2GF

Trustees

Mr Paul Gilmartin	Chair	
Miss Margaret Little	Vice-Chair	(resigned 28 March 2012)
Miss Helen Jackson C.B.E		
Mr Chris Linacre		(appointed 17 November 2011)
Mrs Morag Maddocks		(appointed 17 November 2011)
Mr Obinna Monye		(resigned 10 October 2011)
Mr Graham Moore		(resigned 21 May 2012)
Mrs Jo Roy		(appointed 16 June 2012)
Prof Mike Smith		(appointed 17 November 2011)
Miss Ruth Wilson		
Mr Paul Trudgill		

Company secretary

Ms Rosalind M Eve

President/Vice President

Mr Nick J A Hutton M B.E	President
Prof Alan Walker	Vice President

Executive Management Team

Ms Rosalind M Eve	Chief Executive and Company Secretary
Mrs Helen Davison	Head of Quality and Performance Management
Ms Jacqui Browne	Head of Finance
Mr Graham Harris	
Mrs Michelle Marshall	

Bankers

Barclays Bank plc
2-12 Pinstone Street
Sheffield
S1 2HN

Auditors

Barber Harrison & Platt
2 Rutland Park
Sheffield
S10 2PD

AGE UK SHEFFIELD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 March 2012 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

Objects and principal activities

Age UK Sheffield is the leading charity working with and for the city's older people. Every year it supports thousands of older people to live life to the full, maintaining control and independence. The organisation's ethos is one of empowering and enabling people.

Age UK Sheffield is a local organisation that understands the needs and aspirations of local people. It is also part of the national Age UK Association alongside all brand partners who each share a commitment to making later life fulfilling, enjoyable and productive.

Age UK Sheffield believes older people deserve quality services, dignity, respect and the right to choose how and where they want to live. It therefore.

- provides a range of services, resources and activities to meet the needs of older people;
- consults older people about the type of services they want and need;
- employs specialised, knowledgeable and trained staff;
- works to clear quality standards, and
- is committed to excellence in management and governance

We continue to be driven by our mission to ensure that all older people have the opportunity to live life to the full and are treated with dignity and respect at all times. Our focus is to work with and for those living with physical, sensory or mental impairment, including those with serious and enduring mental health difficulties or dementia, and those living in social isolation.

The number of Sheffield residents aged 80 and over currently stands at 24,000. This is projected to increase to over 39,000 by 2031. As the population ages the incidence of long term limiting illness, social isolation, dementia and memory loss increases. Unsurprisingly, demand for support for older people is rising.

Whether our paymaster is an individual older person or the statutory sector, Age UK Sheffield's challenge must be to enable our customers to look after themselves, to be the architect of their own lives, living independently and actively managing whatever old age brings, and leading the way for other service providers

Achievements and performance

For the year 2011-12, Age UK Sheffield gave support to over 13,500 customers. This is more than ever before and reflects growing demand for the services we provide. This achievement would not be possible without the hard work and commitment of the Age UK Sheffield staff and volunteers, as well as the major contribution made by student social workers on placement with Age UK Sheffield

Our solid customer base together with redesigned and affordable support put us in a strong position to meet the growing needs of an ageing population and survive the current economic challenges

This report sets out Age UK Sheffield's achievements over the past twelve months and summarises our plans for future development.

AGE UK SHEFFIELD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

Getting the most out of life – making choices and connecting with others

The majority of customers for these activities and services pay for them using their own money. Approximately 21% pay for them using state funding via Self Directed Support.

As part of transition arrangements, day centres have been delivered under contract from Sheffield City Council Adult Social Care although, increasingly, day centre members are paying for their membership through Self Directed Support.

Choice 1-1 practical assistance

The aim of our Choice service is to enable individual paying customers to buy from Age UK Sheffield whatever one-to-one tailored support they need to continue getting the most out of life

For 2011-12, 88 individual paying customers bought this service. Over 90% of them paid for it from their own money. Most have purchased on-going, regular practical assistance to facilitate daily living such as help to get to appointments, get shopping, deal with correspondence or facilitated access to social groups.

Day centres

Customers continue to enjoy activities at the centres such as chairbics, baking, foot and hand massage, yoga, reminiscence work (organised by students) and visits to the centres by Activity Sheffield, Lost Chord and other entertainers.

Our dementia day centres continue to thrive, providing an opportunity for peer support and making friends for 35 people.

45 people made use of our centres for physically frail and socially isolated older people. These numbers are falling as people choose alternative services.

Social work students continue to give added value at all day centres, enabling a choice of activities at any one time.

Activity groups

Over 50 people regularly used our two yoga and exercise classes, one for the members of Arbourthorne Antics (an independent community group), the other for residents of Westbourne Nursing Home. Our long-established history and literature life long learning classes attracted 45 learners and our popular swimming club (run in collaboration with Ponds Forge Sports Centre), has over 850 members.

Help with a housing crisis

Age UK Sheffield continues to provide specialist housing-related support for 130 older people at any one time in South East Sheffield. Clients come to us who are facing a crisis that puts their independence at risk. One-to-one support is tailored to the particular needs of each client, to enable them to overcome their crisis and restore their confidence.

Older people are frequently faced with multiple challenges to their independence such as those posed by restricted mobility and dexterity, depression, memory loss, sensory or cognitive impairment and/or long term health conditions

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Their ability to maintain their independence, manage and adapt to change is seriously limited by very low expectations of themselves and others, their spiral into dependence can be fast and furious. No longer the architect of their own lives their condition and their environment is likely to worsen or be further exacerbated by yet another life event such as a fall. This is not a group of people ready and able to seek out or take up the opportunities of, for example, assistive technology. Just getting by day to day presents them with a major challenge. Getting by and maintaining relationships with friends and family presents an even greater challenge, insurmountable to many.

The challenge of self-management and well-being is further compounded by living conditions at home e.g.:

- poor hygiene (lack of cleaning or understanding of the need for good hygiene);
- inadequate heating and ventilation (unable to read or pay bills or gain access to cost effective utilities);
- inappropriate housing (too large, too many stairs);
- inaccessible resources and facilities (unaware of what are available or how to access them); and
- life issues (e.g. legal and consumer disputes, unclaimed benefits, neighbour nuisance, this list is endless)

Our service augments individual's health and wellbeing by extending their ability to remain effective and in charge of their lives, living at home. We do this by working alongside each person, challenging low expectations and enhancing their capacity to live independently before and after a health crisis, preventing the crisis from taking place or mitigating its impact after it has occurred.

Over 300 people received support from this service in 2011-12. Many face complex issues related to ageing and/or longstanding mental health problems. The vast majority achieve independent living within 6 months.

The service is funded by Supporting People. This funding programme is led by central government and locally managed by Sheffield City Council's Housing Independence Service. In the course of 2011-12 the service sustained a budget cut of 12.7%. For 2012-13 there has been no cut in budget and it now seems probable that the contract will run for a further two financial years (to March 2014).

Supporting older people affected by cancer

The first year of a four year contract with Macmillan Cancer Support (MCS) to develop, launch and deliver the Age UK Sheffield Macmillan Cancer Support service was successfully completed. Two full-time staff were appointed and service development and delivery began in April 2011.

The service is available to people over the age of 50 who have been affected by cancer. Individuals may refer themselves directly to the service or referrals may be made by professionals or carers on their behalf. In the course of 2011-12, 445 people have received support.

Our principal aim is to provide a flexible, responsive service that complements and adds value to existing services by facilitating access to the resources, facilities and services older people affected by cancer need to:

- live independently and be socially included;
- make healthy life choices, promoting health and well-being,
- maintain dignity;
- reduce the risk of hospital or residential care admission; and
- reduce dependence on health care professionals.

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Customers range from those requesting simple information and sign-posting to those with ongoing, multiple complex problems requiring continuing review and assessment. Customers experience a very wide range of problems; many are associated with managing physical or mental frailty in the home, advocacy, social care and isolation. Some have no friends or family, some are carers themselves, and some are interdependent couples. Most are 'seldom heard' i.e. those people (including carers) that do not have ready access to services.

The service is breaking new ground showcasing the support Age UK Sheffield gives to complex cases, developing relationships with NHS professionals; and learning new ways of reaching older people in need. We are receiving a steady stream of appreciation and positive feedback from customers and professionals alike.

The service design would benefit any older person living with a long-term limiting illness. Common sense tells us that by giving people support in this way we will improve their health outcomes and reduce the likelihood of them needing health service care and treatment. Work to generate on-going funding, at the end of the MCS 4-year contracts, is already well underway.

A multi-agency, multi-disciplinary Steering Group guides the development of the service. Progress reports are regularly subjected to robust reflection, review and development. In addition, MCS has agreed to fund a robust and independent evaluation of the service which will be carried out by York Health Economics Consortium (University of York).

Self Directed Support

This is one of the most significant developments in recent years for older people in Sheffield who qualify for state support: Self Directed Support (SDS) provides eligible older people with an agreed budget to choose the support they need.

The shift from support prescribed by professionals to individual choice and control provides golden opportunities for older people to tailor the services they buy to their individual needs and preferences.

Sheffield City Council took a prudently slow approach to the introduction of the new way of doing things. Having designed the system, initial roll-out to all older people was slow and people have had to wait a long time for both their initial assessment and final approval of their Support Plan. In recent months, however, we have seen a marked rise in the numbers of older people being assessed for a budget. We are also delighted to report that there has been an equivalent rise in the number of older people choosing Age UK Sheffield as their provider of Support Planning services. Five Support Plans resulting from our service have had final approval, six are awaiting approval and a further 26 are currently in the planning stage.

As anticipated, customers with dementia and an SDS budget are continuing to choose to buy membership of our day centres. Those living with physical disability and no cognitive impairment are choosing alternative ways of making social contact.

To make it easy for older people with an SDS budget to purchase Age UK Sheffield's services, we successfully applied to be one of Sheffield City Council's Approved Providers. In effect, this means we have a zero hour contract with Sheffield City Council to provide support services under Self Directed Support.

The introduction of the Self Directed Support system posed a serious challenge to Age UK Sheffield. To mitigate the risk we have been engaged in a robust iterative process of assimilating learning, refinement and market testing. Our solid customer base together with redesigned and affordable services now put us in a strong position to make the radical changes required to thrive.

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Handyperson services

For 2011-12, over 2,000 jobs were done for over 1,000 older people e.g. changing curtains, putting up new shelves, small improvement to aid mobility or reduce the risk of accident.

The service is provided under contract to Sheffield City Council. Older people are eligible for the service if they are over the age of 55, and need someone to carry out small DIY type jobs that enable independence and living in safety. Some jobs enable timely hospital discharge. These are prioritised and we aim to complete this work within 24 hours if possible.

Statutory funding for the service was cut by about 7%. Happily, this funding deficit was covered by Eon, who paid us to deliver energy efficiency advice. Eon funding has now come to an end and we anticipate that our service will reduce accordingly. We plan to re-focus the service to support the work of the Right First Time programme (see below).

Advocating for vulnerable older people

Age UK Sheffield provided advocacy services for 178 people in the year. Funded by Sheffield Health, the service provides advocacy services for over 65's with mental health problems or living with learning disability. The definition of mental health problems includes people with dementia, learning difficulties, depression, memory loss or conditions such as bi-polar disorder or schizophrenia.

The number of customers making use of the service is consistently higher than the agreed targets, demonstrating the need for the service. The main issues confronting service users relate to:

- debt & financial difficulties;
- care packages;
- will making;
- care home quality concerns;
- housing,
- social inclusion; and
- access to health services.

In the course of the year the Primary Care Trust, NHS Sheffield, proposed the closure of Birch Avenue and Woodland View care homes where over 100 people living with dementia live. A three month consultation was undertaken by NHS Sheffield prior to making the final decision. During this period our service provided additional advocacy for the residents of both homes.

The three year service contract was due to expire in March 2012. Our service is deemed by commissioners to be both high quality and cost effective and is being used as the model to further develop other advocacy services in Sheffield. In recognition of this, and to afford the Age UK Sheffield service with some stability, our contract has been extended for a further twelve months, while a decision is made about the future of the service. It is expected that the service will be put out to competitive tender. Contract management has moved from Sheffield Health to Sheffield City Council.

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Information giving

Year on year, thousands of older people come to Age UK Sheffield to ask for information and advice on a vast range of topics. Enquirers contact the service in person in our city centre shop, by phone and via the internet. The most common enquiries relate to consumer issues, pensions and benefits, housing, health and social care

Information and advice was the first flagship service to be adopted by Age UK.

Following Age UK Sheffield's restructure four years ago, our service underwent significant redesign and now most of our enquiries are dealt with by phone or on the web, via www.oldersheffield.org.uk. A face-to-face service is provided in our city centre shop and in the homes of older people using one of our other services, such as Macmillan Cancer Support and Housing Support. Partner organisations augment our service by running specialist advice sessions from our shop

In 2011-12 we successfully dealt with the information needs of over 8,000 enquirers, in our shop, by phone or online. Approximately 4,500 of these were made via our website www.oldersheffield.org.uk. This website is regularly updated and lists over 1,200 activities, resources and facilities available to older people in Sheffield. It has been tested by older people themselves and is commended by older enquirers, relatives and professionals alike

Work to expand our team of trained volunteer information and advice providers, both in the shop and over the phone, is underway. Capacity to train new volunteers is limited to two at any one time. Growth of the team is therefore incremental, mitigating the risk of litigation for misinformation or misadvice.

Human resources and personnel development

Volunteers

Fifty four people volunteered for Age UK Sheffield in the course of 2011-12. Twenty nine were new recruits. Sixteen volunteers left us.

Age UK Sheffield has been using the skills of volunteers for many years. However, as contracted services grew our focus on recruitment, training and support of our volunteers diminished. In 2011-12, we began in earnest to reverse this trend. We carried out a continuous scheme review that generated significant learning for the organisation. We have made significant progress to ensure that we provide volunteers with the best opportunities and experiences and that we fully exploit the benefits that volunteers can bring to our organisation.

Student social workers on placement

Age UK Sheffield's Social Worker in Training Scheme has been running for over three years now. For the most recent placement there were nine first placement MA students and two final placement BA students. At the end of each placement we seek feedback from the students, their practice assessors and the Universities.

For 2011-12, students told us that their placements had been invaluable, giving them experience of many processes associated with statutory social work. They were able to integrate academic learning into genuine practice, apply theory, policy and legislation. They gained an understanding of the importance of service user involvement and empowerment. Their training sessions (Academies) were viewed as well organised and a good forum to discuss ideas and present case studies, key to developing practice, active listening and group skills

Being part of a large group of students was viewed as very positive, some saying that it was the best aspect of the placement.

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One University course manager said: 'I believe that Age UK Sheffield provides a very valuable and rich experience to PL1/PL2 and Joint Course students. I am delighted to be associated with an organisation who promotes such good practice and who have the student agenda at its heart'

The rise in University fees may have a significant impact on the number of students studying Social Work in future. We don't know how this will impact on the Age UK Sheffield scheme but we expect a reduction in the number of students on placement with us in the future

Independent living coordinators

For some years now our Support Planner team have been the cornerstone of our service provision. They assess and review the needs of customers, supervise support workers, volunteers and student social workers on placement and do much of the work to deliver bespoke support plans working with and for older people with additional needs. They work with individual customers linking them with whatever resource, service or facility needed to maintain independent living. They are the 'sharp pair of elbows'. They make the difference between an older person feeling depressed and unable to determine their own lives, and being effective, engaged and in control.

We have therefore further developed their role and job description. So it better reflects their 'whole-systems' approach their job title is now set to change to Independent Living Coordinator. The success of our Self Directed Support Support Planning service (which generates new income) has enabled us to further expand the team.

Budget 2011-12 and resourcing the organisation

In the course of the year we made significant progress towards establishing a financially sustainable model, offering new and exciting services that are affordable, appealing and meet the needs of those in later life.

Age UK Sheffield's unrestricted reserves (excluding person liability) at 31 March 2012 were £418,705; at 31 March 2011 they were £240,207. For the second year running we have achieved significant savings, primarily by reducing staff costs through delayed reappointment to vacancies. Staff, volunteers and students have worked harder than ever before and systems have been further redesigned to achieve greater efficiency.

Our reserves not only provide us with the comfort we need to steer the ship steady through these troubled times, but also provide us with some of the investment funds we need to redesign, develop and launch new services. For example, in our budget for 2012-13, so far, we have set aside approximately £90k towards the development of the Connect membership scheme (see below). A further £45k has been set aside for Internet, Communications Technology (ICT) systems development (both hardware and software) which will provide the infrastructure for the scheme.

Over the past five years, Age UK Sheffield funding from public sector contracts has reduced from 76% to 56% of our total income. We have both successfully maintained our overall annual turnover of approximately £1.2 million and sustained significant cuts to contract values. This is the result of a deliberate policy to diversify Age UK Sheffield's funding sources and reduce our reliance on funding from statutory sector contracts.

There has been a marked decline in the income derived from local Trust funds, this is unlikely to recover in the forthcoming year. By contrast, income derived from Age UK has risen sharply. As a result grant funding in 2010-11 was £40,672 and in 2011-12 it was £72,382.

We have continued to benefit from the generosity of Westfield Health. Their grant funding of £47,500 continues to underpin our information and advice service.

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Work is currently underway to enable Age UK Sheffield to be the beneficiary of further corporate giving. This is likely to be payment in kind rather than grant funding and will make a significant difference to our ability to innovate and learn from those working in the commercial sector.

Age UK Sheffield Enterprise product sales have stood up well to sharp competition. For 2011-12 commissions earned rose by 17.9%. This is an extraordinary achievement considering the current financial climate.

Budget 2012-13

Age UK Sheffield's Supporting People Housing Support contract was cut by 12.69% in 2011-12. However, we are delighted to report that no further cut has been sustained in 2012-13. It is anticipated that Sheffield City Council's Housing Independence service will redesign this service at some point in the next few years.

The switch from services delivered under contract to Self Directed Support is gathering momentum. Age UK Sheffield is anticipating a growing income from its Support Planning service and has employed new dedicated staff to enhance our capacity to deliver this service.

With the support of both Age UK and Sheffield City Council Age UK Sheffield has made a significant investment in the development of new services that will ultimately be sustained and paid for by individual paying customers (with or without access to Self Directed Support funding). Our new services have been designed to offer greater flexibility and choice for our customers as well as being intrinsically cheaper than the ones we deliver under contract, without compromising the quality.

For 2012-13, the following contracted services have been directly affected as a result of the government cuts:

- Tannery, Eastfield and Horner House Day Centres: the overall budget for each of these was cut by 7.5% for 2011-12 and 7.5% for 2012-13. A further 15% cut for 2013-14 is forecast. Contract funding will be incrementally converted to SDS over the next three years.
- Handyperson Service: the overall contract funding for this service was cut by 6.5% in 2011-12. For 2012-13 contract funding from the NHS (£10,970 pa) is due to come to an end on 30 September 2012. Contract funding from Sheffield City Council is planned to continue to March 2013.

Development plans

New support service - Connect membership scheme

Our membership scheme has been designed to help older people help each other and make use of facilities, services and resources readily available in the city. Our basic membership offer will enable people to get new friends, get out and about and get online.

Considerable time and resources have been put into the further development of this highly innovative scheme. Its launch was delayed to ensure detailed preparation, the development of a robust business model and financial sustainability. We are nearing completion of our business and financial modelling processes.

Thanks to Dean Sadler and Beaumont Business Software Ltd, our new web accessible software is under development and on schedule. Thanks to Ruby Slippers' marketing and communications support, we are preparing to transform the way we promote our services.

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We know that for success the membership scheme needs to:

- be perceived as excellent value for money;
- reach those living with long term limiting illness, cognitive or sensory impairment;
- deliver services that really help older people be the architect of their own lives, putting them firmly in the driving seat, linking them up to whatever resource, service, facility or friend they need, and
- challenge the curse of modern society: social isolation.

The scheme has been adopted by Age UK (our national brand partner) as an Innovation and Service Development pilot project. Our bid for adoption scored higher than all the other local Age UK bids. Now we are enjoying the support of Age UK staff, who are giving us the benefit of their expertise and augmenting our modest capacity to successfully launch this radical new scheme. In return, Age UK managers are learning more about the world of local Age UKs and how best they can support our development.

We have successfully won investment funding from Sheffield City Council's Voluntary Sector Grants fund (£25k) to help underpin the scheme's development costs, although we are expecting most of these to be met by our own funds.

We have also successfully won investment funding from Sheffield City Council's Travel Innovations Fund to help pay the development cost of our membership offer to help people get out and about.

Sheffield's local John Lewis Partnership is helping us to develop our skills and capacity to deliver the scheme's support.

We are working in partnership with the University of Sheffield to pilot telephone friendship circles, facilitated by trained volunteers. If this works well for customers we hope to include it as one of our membership offers. We have also begun to offer a visitor service, delivered by volunteers. Again, if this works well, and there is certainly a huge demand for such a service, we hope to include it as one of the membership offers.

Early indications are that the scheme (which is now scheduled to be launched later this year) is going to be well received.

Age UK Sheffield's budget for 2012-13 has assumed significant investment enable the development of the scheme.

Volunteers

John Ramsey, Age UK's national volunteering manager has contributed to our continuous scheme review by appraising all our volunteer policies and procedures and acting as a critical friend to the scheme. Using feedback and materials that he has given us, we are confident that our scheme is highly competitive and our offer to volunteers is well on the way to

- being demonstrably the best in the city;
- fully exploit the benefits that volunteers bring to the organisation;
- attracting at least 70 new volunteers across the organisations per annum, and is
- being fully integrated into the Age UK Sheffield Connect membership scheme

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Working in partnership with health, housing, social care and campaign groups

Making the Link

We have successfully won Department of Health funding, from Age Concern Yorkshire and Humber Support Services, to deliver the Making the Link project. Along with Age UK Leeds and Age UK Wakefield we will be employing an Independent Living Coordinator who will receive referrals for 10 general practices of people living with long term conditions who need additional assistance. Our assistance will range from simple sign-posting through to complex case management, linking older people with complex needs, who are living with a long-term condition, with the services resources and facilities they need to maintain independent high quality living. Our assistance will be short term and designed to enable people to live independently and manage their own long-term condition and be the architect of their own lives.

Our Independent Living Coordinator will initially receive referrals from general practices (10) in one general practice association and be part of their Integrated Care Team.

Right First Time (RFT)

Sheffield Health has embarked on a new initiative to

- build integrated and capable primary and community care teams;
- redefine how urgent care needs are met at the point of escalation;
- ensure optimum care in hospital; and
- redefine assessment processes for longer term care.

Sheffield's older people are more likely than most to be admitted to hospital for emergency care; admission rates are 48% higher than Newcastle. As a city we spend more on long term care than any other city in the country. Lengths of hospital stay are longer and the outcomes achieved nowhere near what they should be. The longer older people stay in a hospital bed the more their capability to live independently diminishes. Paradoxically, the city has made significant investment in community care but as yet this has not reaped the necessary rewards.

This initiative has the full support of all relevant statutory health and social care commissioners and providers. The lead for the change programme, Stephen Haigh, is keen to capitalise on the contribution made by the voluntary sector. Funding released from inappropriate health and residential care may provide an opportunity for Age UK Sheffield and partners to expand access to timely, cost effective, preventative assistance that enables independent living.

Building on the ground breaking work of our Macmillan Cancer Support service and long-standing partnership with South Yorkshire Housing Association we are now working together to develop new services. They will build on our combined skills, experience and capacity. Our plan is to provide them as our contribution to the delivery of Right First Time.

Consortia working

Both Sheffield City Council and Sheffield Health have indicated their preference for contracting with single consortia of providers rather than holding multiple contracts with diverse groups and organisations. Clearly this will reduce their transaction costs. Consortia potentially provide Age UK Sheffield with an opportunity for innovation and participation in transformational change to the way that support services are delivered. They will afford greater, formal partnership working, particularly where we share the same values and our skills, experience and expertise complement and augment those of the partners. Skilful design, at least theoretically, should make life easier for service users as single points of contact for any given service become standard.

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Our challenge is to co-design and participate in consortia that are efficient and really do provide a better service for older people. We anticipate that increasing levels of our management resources will be devoted to meeting this challenge.

Customer engagement development plans

We have already established firm links with local campaigning organisations such as Expert Elders, 50+ and Sheffield Pensioner Action Group. Our Customer Engagement Manager works closely with members of each of these networks to support their work.

Re-branding Age Concern Sheffield as Age UK Sheffield

In the course of 2011-12 we re-branded as Age UK Sheffield, formally launching our partnership with Age UK (merged Age Concern England and Help the Aged). The highlight of our re-branding was our AGM where customers moved around a life-size Age UK Sheffield Monopoly board, talking about the issues they face as older people. It was good fun and really got the point across!

Continuous quality improvement

In 2011-12, Age UK Sheffield has maintained the International Quality Standard ISO9001 and our registration with the Care Quality Commission, and the old Age Concern Federation quality mark 'Quality Counts'. The new Age UK Association (of brand partners) is currently developing a new quality mark. We will work to achieve this new quality mark as soon as it is available.

In addition, Age UK Sheffield has submitted evidence to the Sheffield City Council Supporting People team to improve our Quality Assessment Framework (QAF) rating from C to As and Bs. Our submission was made in October 2011 and we are still awaiting the results.

Board development plans

In the course of 2011-12, three new Trustees were welcomed to the Board: Mike Smith, Chris Linacre and Morag Maddocks. They have undergone a full induction, including a strategic planning away-day, and we are now enjoying their full participation in the work of the Board.

With much regret we anticipate that Paul Gilmartin will step down as Chair of the Age UK Sheffield Board of Trustees. Paul has served as chair for nine years, during which time he has made an invaluable and vital contribution, leading the Board and helping to steer the organisation through times of great change. A recruitment process is currently underway to appoint his successor.

In the course of 2011-12 the following long-standing board members left the Board: Margaret Little and Obinna Monye. At the beginning of 2012-13 Graham Moore also left the Board. We would like to thank each of these Board members and the magnificent contribution they made to our work.

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Financial review and results for the year

We would like to thank everyone who supported the work of Age UK Sheffield during 2011-12 with their time or financial support including:

Age UK
Arthur Lee Distribution from Endowment Fund
Coventry Building Society
Macmillan
The Co-operative
The H M Burdall Charity
The Church Burgesses Trust
Digital Outreach Ltd
The Marjorie Coote Old People's Charity Fund
NHS Sheffield
Sheffield City Council
Sheffield Hallam University
Sheffield Town Trust
Sheffield Well-Being Consortium
South Yorkshire Community Fund
The Talbot Trust
University of Sheffield
Westfield Contributory Health Scheme Ltd
Wilkinsons
Individual donors

Commentary on the Financial Statements

Results for the year

The outturn for 2011-12 was a £186.2k surplus before the actuarial loss on the pension scheme. This is significantly better than the budgeted outturn for the year.

Organisational support costs reduced from £275k to £241k, 2011-12 benefited from temporarily reduced staffing costs, it is not anticipated that these savings will be repeated in 2012-13

Income

The consolidated annual income rose by approximately 6.96% (£79k) from £1,132,996 in 2010-11 to £1,211,849 in 2011-12. This is significantly better than the anticipated reduction in income included in the budget of £15.6k.

The £79k rise compared to 2010-11 was mainly due to the following variations:

- commercial trading operations: an overall increase in income of £21.7k for the year; baseline trading commissions for the year increased by 17.9% with an additional £10k one-off bonus
- Charitable activities income rose by £42K due to:
 - provisions for the development of the charity.
 - new service contracts with Macmillan Cancer Support
 - additional Age UK fund
 - increase charges for Services
 - Off-set by funding cuts from the statutory sector
- Voluntary income increased by £13.5k, primarily due to new funding from Age UK

AGE UK SHEFFIELD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

Expenditure

The consolidated annual expenditure reduced by £43,654 (4.1%) in 2011-12 to £1,025,657 compared with £1,069,311 in 2010-11.

The budget anticipated higher levels of expenditure however reduced levels were primarily achieved through reduced staffing levels. There was also reduced spending on marketing and promotion during the year in preparation for new service development.

Diversification of funding sources

Age UK Sheffield has long recognised the need to reduce its dependence on statutory sector funding, which renders us vulnerable to government cut backs and market turbulence. In 2009-10 65.9% of our funding came from the statutory sector. In 2011-12 it had reduced to 56.2% indicating that we have made significant progress this year towards diversifying our funding sources, and we still have some way to go.

We anticipate a decline in annual turnover for 2012-13 as:

- interest rates remain very low and trust funds are not generating sufficient surpluses to donate;
- Social Worker in Training placements reduce as an impact from higher university fees.

Reserves

The unrestricted reserves, excluding the pension liability, as at the 31 March 2012 are £418.8k which is £178.6k better than the comparable reserves as at 31 March 2011 of £240.2k. £179.5k of these unrestricted reserves have been designated, as shown in note 15.

The defined benefit pension scheme liability has increased by £15k to a liability of £42k.

Reserves policy

Age UK Sheffield's funds comprise both restricted (money to be spent on a specific activity, as determined by the funder) and unrestricted funds. The unrestricted funds, excluding designated funds (see note 15) and those tied up in fixed assets, enable the charity to have an adequate working reserve and funding to contribute to the development and sustainability of the charity.

The Trustees have considered the level of working reserves that are needed based on -

- operating costs;
- possible redundancy costs arising from unexpected termination of contractual arrangements or grants, and
- provisions for the development of the charity.

In their opinion the working reserves therefore need to be £152.8k. The working reserves at 31 March 2012 are £237.7k.

AGE UK SHEFFIELD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

Company status

The company is limited by guarantee and all members have agreed to contribute a sum not exceeding £1 in the event of winding-up. The number of guarantees at 31 March 2012 was 81.

Trustees' responsibilities statement

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The Board of Trustees present their report and audited Financial Statements for the year ended 31 March 2012. The accounts comply with the Companies Act 2006, the charity's governing document and the relevant Statement of Recommended Practice (the Charities SORP 2005).

AGE UK SHEFFIELD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

Structure, management and governance

Age UK Sheffield is a charitable company, limited by guarantee. Having formerly been an unincorporated charity since its registration in January 1981, the charity transferred its assets to a 'new' charity, number 1108413 on 31 March 2005 and adopted a new Memorandum and Articles.

Age UK Sheffield meets the Charity Commission's definition of providing public benefit as all its services deliver the charitable purpose of 'relief for people in need by reason of age' as set out in the Charities Act 2006

Age UK Sheffield is an independent local organisation, accountable to a governing Board of Trustees representing a cross-section of the local community. When Trustees retire, or there is a need for additional Trustees, an open and inclusive recruitment process is initiated and Age UK Sheffield proactively seeks applications from under-represented groups. New Trustees participate in a comprehensive induction to introduce them to the organisation and its ways of working, and to their role and responsibilities. This includes meetings with senior staff, the opportunity to observe or shadow front-line service delivery and an externally facilitated away-day dedicated to enabling Trustees to fully understand their role and responsibilities. Trustees are supported in their role by a role description and a comprehensive Board Members Handbook, which includes the Age UK Sheffield Code of Governance.

Trustees meet six times each year to receive reports and make decisions. The Finance & Governance Committee has delegated responsibility from the Board. It meets five times during the year (prior to Board meetings) and has a remit to report on trends, achievements and difficulties and to advise the Board on strategic and financial planning for the organisation. The Human Resources Committee also has delegated responsibility and meets as necessary to oversee HR-related issues, policies and procedures.

Age UK Sheffield believes that, wherever it is in the best interests of the city's older people, the organisation should work in partnership with other organisations. Managers therefore have represented Age UK Sheffield and its customers on a wide range of bodies including

- The Older People's Partnership Board
- Sheffield Health and Social Care NHS Foundation Trust Council of Governors

The charity is also involved with a number of networks through its membership of the Age England Association and the Age UK Yorkshire and Humber Regional Company and also takes opportunities whenever they are offered to learn from and share ideas with other Age UK organisations.

Age UK Sheffield Enterprises Ltd is a wholly owned subsidiary of Age UK Sheffield which gift-aids all its profits back to the charity to provide a valuable source of unrestricted income. Its primary business is a popular face-to-face service located at our city-centre shop on Castle Square, selling a wide range of products including household, travel and motor insurance, energy (gas and electricity) and funeral plans. All the products are tailored to meet the particular requirements of people over 50 and the insurance products are regulated by the Financial Services Authority

Risk management

The Board of Trustees appointed a Governance Review Group in May 2004, to consider all aspects of the charity's governance including risk. As a result a detailed procedure was developed to identify risks and assess their likelihood and potential impact. The annual assessment was carried out across all services and the organisation as a whole between January 2012 and March 2012, and the major risks identified. An action plan to mitigate the risks was developed and implemented.

AGE UK SHEFFIELD

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2012

Auditors

A resolution to give the authority to the Directors to appoint the auditors for the year 2011-12 will be proposed at the Annual General meeting

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

By order of the trustees



Paul Gilmartin
Chair

18 October 2012

AGE UK SHEFFIELD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF AGE UK SHEFFIELD

We have audited the financial statements of Age UK Sheffield for the year ended 31 March 2012 which comprise the Group Statement of Financial Activities, the Parent Charitable Company Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2012, 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

AGE UK SHEFFIELD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF AGE UK SHEFFIELD - continued

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

Jane Marshall (Senior Statutory Auditor)
For and on behalf of Barber Harrison & Platt

18 October 2012

Chartered Accountants
Statutory Auditor

2 Rutland Park
SHEFFIELD
S10 2PD

AGE UK SHEFFIELD

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2	51,622	1,197	52,819	39,306
Investment income – bank interest		150	-	150	122
Commercial trading operations		155,694	-	155,694	134,022
Other income		3,602	-	3,602	2,116
<i>Incoming resources from charitable activities</i>					
Group Support	3	134,040	54,174	188,214	163,266
Support in the Home		609,527	111,210	720,737	701,847
Information & Advocacy		40,749	49,884	90,633	92,317
Total incoming resources		995,384	216,465	1,211,849	1,132,996
Resources expended					
<i>Costs of generating funds</i>					
Fundraising costs	4	29,515	1,653	31,168	37,160
Commercial trading operations		81,386	-	81,386	81,564
		110,901	1,653	112,554	118,724
<i>Charitable activities</i>					
Group Support		130,236	69,766	200,002	202,971
Support in the Home		491,795	111,320	603,115	601,652
Information & Advocacy		26,344	53,719	80,063	119,810
<i>Governance costs</i>		29,923	-	29,923	26,154
Total resources expended		789,199	236,458	1,025,657	1,069,311
Net incoming/(outgoing) resources before transfers	6	206,185	(19,993)	186,192	63,685
Transfer between funds	16	(19,627)	19,627	-	-
Net incoming resources before other recognised gains and losses		186,558	(366)	186,192	63,685
Other recognised gains and losses					
Actuarial (loss)/ gain on pension scheme	14	(23,000)	-	(23,000)	18,000
Net movement in funds		163,558	(366)	163,192	81,685
Fund balances at 1 April 2011		213,207	18,069	231,276	149,591
Fund balances at 31 March 2012		376,765	17,703	394,468	231,276

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended derive from continuing activities.

AGE UK SHEFFIELD

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account) FOR THE YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income		51,622	1,197	52,819	39,306
Activities for generating funds		129,446	-	129,446	147,587
Investment income					
Gift aid payments from subsidiary		162,005	-	162,005	152,444
Bank interest		77	-	77	31
Other income		3,602	-	3,602	2,116
<i>Incoming resources from charitable activities</i>					
Group Support		134,040	54,174	188,214	163,266
Support in the Home		203,927	111,210	315,137	237,272
Information & Advocacy		40,749	49,884	90,633	92,317
Total incoming resources		725,468	216,465	941,933	834,339
Resources expended					
<i>Costs of generating funds</i>					
Fundraising costs		29,515	1,653	31,168	37,160
<i>Charitable activities</i>					
Group Support		130,236	69,766	200,002	202,971
Support in the Home		306,414	111,320	417,734	387,800
Information & Advocacy		26,344	53,719	80,063	119,810
Governance costs		27,299	-	27,299	23,569
Total resources expended		519,808	236,458	756,266	771,310
Net incoming/(outgoing) resources before transfers					
	6	205,660	(19,993)	185,667	63,029
Transfers between funds	16	(19,627)	19,627	-	-
Net incoming resources before other recognised gains and losses					
		186,033	(366)	185,667	63,029
Other recognised gains and losses					
Actuarial (loss)/ gain on pension scheme	14	(23,000)	-	(23,000)	18,000
Net movement in funds		163,033	(366)	162,667	81,029
Fund balances at 1 April 2011		202,371	18,069	220,440	139,411
Fund balances at 31 March 2012		365,404	17,703	383,107	220,440

AGE UK SHEFFIELD

BALANCE SHEETS AS AT 31 MARCH 2012

		Group		Charity	
	Notes	2012 £	2011 £	2012 £	2011 £
Fixed assets					
Tangible assets	9	1,621	-	1,621	-
Investments	10	-	-	2	2
		<u>1,621</u>	<u>-</u>	<u>1,623</u>	<u>2</u>
Current assets					
Debtors	11	110,770	55,801	219,739	189,485
Cash at bank and in hand		422,680	279,134	246,236	110,909
		<u>533,450</u>	<u>334,935</u>	<u>465,975</u>	<u>300,394</u>
Creditors: amounts falling due in less than one year	12	(98,603)	(76,659)	(42,491)	(52,956)
Net current assets		<u>434,847</u>	<u>258,276</u>	<u>423,484</u>	<u>247,438</u>
Total assets less current liabilities		436,468	258,276	425,107	247,440
Defined benefit pension scheme liability	14	(42,000)	(27,000)	(42,000)	(27,000)
Net assets		<u>394,468</u>	<u>231,276</u>	<u>383,107</u>	<u>220,440</u>
Funds					
Unrestricted funds					
Designated funds	15	179,459	80,000	179,459	80,000
General funds		239,306	160,207	227,945	149,371
		<u>418,765</u>	<u>240,207</u>	<u>407,404</u>	<u>229,371</u>
Unrestricted funds excluding pension liability		(42,000)	(27,000)	(42,000)	(27,000)
Pension reserve		<u>376,765</u>	<u>213,207</u>	<u>365,404</u>	<u>202,371</u>
Total unrestricted funds		376,765	213,207	365,404	202,371
Restricted funds	16	17,703	18,069	17,703	18,069
Total funds		<u>394,468</u>	<u>231,276</u>	<u>383,107</u>	<u>220,440</u>

The financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies.

The financial statements on pages 20 to 36 were approved by the Board of Trustees on 18 October 2012 and were signed on its behalf by:


P A L Gilmartin
Chair

Company number: 05207254

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. They have been applied consistently during the year, and in the preceding year.

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards, the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (April 2008). The principal accounting policies adopted in the preparation of the financial statements are set out below

(b) Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary Age UK Sheffield Enterprises Limited on a line by line basis.

(c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

(d) Incoming resources

All incoming resources are included in the Statement of Financial Activities ('SOFA') when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the SOFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Pecuniary legacies are recognised as they are received. Residuary legacies are recognised at the earlier of receipt or agreement of the estate accounts
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Incoming resources from charitable trading activity are accounted for when earned.
- Investment income is recognised on a receivable basis.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Incoming resources from grants which have no restriction attached other than to be used for charitable activities are allocated to a charitable activity at the discretion of the trustees under fees and other income (see note 3).

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

1. Accounting policies - continued

(e) Resources expended

Expenditure is recognised on an accrual basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is included as part of the expenditure to which it relates.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the direct costs and support costs relating to such activities
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements
- Support costs include central functions and have been allocated to activity cost categories based on the split of funding received for the different areas of the charity's activities.

(f) Finance and operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised costs and the total obligation under the lease represents finance charges. Finance charges are written-off to the SOFA over the period of the lease so as to produce a constant periodic rate of charge.

(g) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Individual fixed assets costing £500 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

Leasehold improvements	over remaining term of lease
Office and other equipment	20% - 30%
Computer equipment	33%

(h) Pensions

The charitable company contributes to a defined contribution pension scheme on behalf of its employees. The assets of this scheme are entirely separable to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees.

The company participates in the Age UK Retirement Benefits scheme, a multi employer defined benefit scheme.

The costs of providing the pensions are charged in the Statement of Financial Activities in accordance with Financial Reporting Standard FRS17 – 'Retirement Benefits', see note 14 for details.

(i) Cash flow statement

The charity has taken advantage of the exemption in Financial Reporting Standard 1 from preparing a Cash Flow Statement on the grounds that it is a small charitable company.

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

2. Incoming resources from generated funds

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Voluntary income				
Donations	3,647	-	3,647	3,306
Legacies	1,052	-	1,052	16,500
Fundraising	463	-	463	-
Grants				
Age UK	24,460	1,197	25,657	1,500
The Church Burgesses Trust	3,000	-	3,000	-
The Marjorie Coote Old People's Charity Fund	15,000	-	15,000	15,000
Sheffield Town Trust	4,000	-	4,000	-
The Talbot Trust	-	-	-	3,000
	<u>51,622</u>	<u>1,197</u>	<u>52,819</u>	<u>39,306</u>

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

3. Incoming resources from charitable activities

	Group Support £	Support in the Home £	Information and Advocacy £	Total 2012 £	Total 2011 £
Restricted income					
Grants					
Beatrice Laing Trust	-	-	-	-	2,000
Big Lottery Fund Grant (FAAF)	-	-	-	-	2,172
Age UK	200	16,900	-	17,100	-
Digital Outreach Ltd	4,000	2,235	1,384	7,619	-
H M Burdall Trust	-	-	1,000	1,000	-
Sir Samuel Roberts Trust	-	-	-	-	2,500
Sheffield Town Trust	-	-	-	-	5,000
Sheffield Well-Being Consortium	1,650	-	-	1,650	2,250
South Yorkshire Community Fund	-	2,625	-	2,625	-
The Talbot Trust	3,000	-	-	3,000	-
Westfield Health	-	-	47,500	47,500	47,500
Wilkinsons	565	-	-	565	-
Contracts					
Macmillan	-	70,574	-	70,574	-
Sheffield City Council	44,759	-	-	44,759	48,388
Sheffield City Council – Partnerships for Older People Projects	-	18,876	-	18,876	20,400
	<u>54,174</u>	<u>111,210</u>	<u>49,884</u>	<u>215,268</u>	<u>130,210</u>
Unrestricted income					
Contracts					
Sheffield City Council	115,751	450,221	-	565,972	619,842
Sheffield PCT	-	10,969	40,675	51,644	47,476
Grants					
Arthur Lee Fund	1,000	-	-	1,000	1,500
Church Burgesses Trust	-	-	-	-	3,000
H M Burdall Charity	-	-	-	-	1,000
Sheffield Town Trust	-	-	-	-	4,000
Other income					
Life Long Learning fees	3,302	-	-	3,302	3,227
Charges for services	13,883	62,772	-	76,655	67,095
Reimbursed expenses	104	768	-	872	830
Universities	-	81,718	-	81,718	78,400
Donations	-	3,079	74	3,153	850
	<u>134,040</u>	<u>609,527</u>	<u>40,749</u>	<u>784,316</u>	<u>827,220</u>
Total incoming resources from charitable activities	<u>188,214</u>	<u>720,737</u>	<u>90,633</u>	<u>999,584</u>	<u>957,430</u>

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

4. Resources expended

	Costs of generating funds £	Group Support £	Support in the Home £	Information and Advocacy £	Governance costs £	Total 2012 £	Total 2011 £
Staff costs	51,247	102,231	374,641	43,761	15,398	587,278	603,171
Premises costs	21,616	6,949	35,382	14,820	-	78,767	81,869
Administrative costs	6,753	5,197	18,993	2,511	14,525	47,979	40,293
Projects costs	1,770	49,889	18,729	58	-	70,446	68,548
Support costs	31,168	35,736	155,370	18,913	-	241,187	275,430
	<u>112,554</u>	<u>200,002</u>	<u>603,115</u>	<u>80,063</u>	<u>29,923</u>	<u>1,025,657</u>	<u>1,069,311</u>

Note on support costs

Support costs are analysed as follows:

Management & business support	27,102	31,924	139,426	17,842	-	216,294
Infrastructure	334	313	1,312	88	-	2,047
Development	3,732	3,499	14,632	983	-	22,846
	<u>31,168</u>	<u>35,736</u>	<u>155,370</u>	<u>18,913</u>	<u>-</u>	<u>241,187</u>

- (1) Management & business support costs – these represent the management costs of the charity, I.T. services, human resources and financial/budgeting support. These costs specifically form part of the funding arrangements in place for these services.
- (2) Infrastructure costs – these represent otherwise unrecovered central costs which did not form part of the original funding agreements but which have been allocated across all services in order to show the full costs of the services/projects.
- (3) Development costs – this is expenditure on staff and infrastructure development.

Accommodation costs in respect of specific activities are shown under premises costs; central accommodation costs are recharged under management and business support costs

The method of apportionment used has been based on the split of funding received for the different areas of the charity's activities.

5. Corporation tax

As a charity, Age UK Sheffield is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

6. Net incoming resources for the year

This is stated after charging:

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Auditors' remuneration	7,164	8,105	4,644	5,585

7. Staff costs

Staff costs during the year were as follows:

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Wages and salaries	667,025	667,022	485,837	478,819
Social security costs	47,425	50,077	36,374	35,957
Pension costs	13,140	18,386	12,854	17,562
	<u>727,590</u>	<u>735,485</u>	<u>535,065</u>	<u>532,338</u>

The average weekly number of employees during the year was as follows:

Management & Administration	10	10	7	8
Day Support Services	5	5	5	5
Supporting People	8	10	-	-
Home Services	12	11	12	11
Information & Advocacy Services	2	3	2	3
	<u>37</u>	<u>39</u>	<u>26</u>	<u>27</u>

No employee has earned over £60,000 during the year (2011: none)

8. Trustees' remuneration and expenses

No Trustees nor any persons connected with them received any remuneration during the year (2011: none).

No expenses were reimbursed to Trustees during the year (2011: £73 was reimbursed to one Trustee for travel expenses)

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

9. Fixed assets: tangible assets

Group	Leasehold improvements £	Office & other equipment £	Computer equipment £	Total 2012 £
Cost				
At 1 April 2011	33,567	93,345	31,487	158,399
Additions	-	-	1,621	1,621
Disposals	-	(7,989)	-	(7,989)
At 31 March 2012	<u>33,567</u>	<u>85,356</u>	<u>33,108</u>	<u>152,031</u>
Depreciation				
At 1 April 2011	33,567	93,345	31,487	158,399
Disposals	-	(7,989)	-	(7,989)
At 31 March 2012	<u>33,567</u>	<u>85,356</u>	<u>31,487</u>	<u>150,410</u>
Net Book Value				
At 31 March 2012	<u>-</u>	<u>-</u>	<u>1,621</u>	<u>1,621</u>
At 31 March 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Charity				
Cost				
At 1 April 2011	33,567	46,687	13,051	93,305
Additions	-	-	1,621	1,621
Disposals	-	(7,989)	-	(7,989)
At 31 March 2012	<u>33,567</u>	<u>38,698</u>	<u>14,672</u>	<u>86,937</u>
Depreciation				
At 1 April 2011	33,567	46,687	13,051	93,305
Disposals	-	(7,989)	-	(7,989)
At 31 March 2012	<u>33,567</u>	<u>38,698</u>	<u>13,051</u>	<u>85,316</u>
Net Book Value				
At 31 March 2012	<u>-</u>	<u>-</u>	<u>1,621</u>	<u>1,621</u>
At 31 March 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

10. Fixed asset investments

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Investment in subsidiary company	-	-	2	2

The trading subsidiary, Age UK Sheffield Enterprises Ltd, is wholly owned by the charity. The principal activities of the company are the collection of insurance commissions and the provision of services under contract with the Sheffield City Council

A summary of the company's results and balance sheet for the year ended 31 March 2012 is as follows:

Profit and loss account

	2012	2011
	£	£
Turnover and other income	587,656	626,294
Administration costs	(425,126)	(473,194)
Donation to parent charity	(162,005)	(152,444)
Net profit	525	656

Balance sheet

	2012	2011
	£	£
Current assets	199,189	186,894
Current liabilities	(187,826)	(176,056)
	11,363	10,838
Called up share capital	2	2
Profit and loss account	11,361	10,836
	11,363	10,838

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

11. Debtors

	<u>Group</u>		<u>Charity</u>	
	2012	2011	2012	2011
	£	£	£	£
Age UK Sheffield Enterprises Limited	-	-	126,763	149,953
Other debtors	31,141	7,291	30,544	7,291
Prepayments and accrued income	79,629	48,510	62,432	32,241
	<u>110,770</u>	<u>55,801</u>	<u>219,739</u>	<u>189,485</u>

12. Creditors

	<u>Group</u>		<u>Charity</u>	
	2012	2011	2012	2011
	£	£	£	£
Due within one year				
Age UK Sheffield Enterprises Limited	-	-	4,951	2,400
Other creditors	9,698	27,349	8,844	24,365
Taxation and social security	38,376	33,561	13,001	13,646
Accrued expenditure	19,329	15,749	15,695	12,545
Deferred income (note 13)	31,200	-	-	-
	<u>98,603</u>	<u>76,659</u>	<u>42,491</u>	<u>52,956</u>

13. Deferred income

	£
Balance at 1 April 2011	-
Amount deferred in the year	31,200
Balance at 31 March 2012	<u>31,200</u>

Deferred income relates to contract income received in advance.

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

14. Pension scheme

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge for this scheme represents contributions payable by the company to the fund and amounted to £12,728 (2011: £13,975).

Defined benefit

The company participates in the Age UK Retirement Benefits scheme, which is a mutli-employer defined benefit scheme

The scheme is in deficit and so individual Age UK offices have been asked to make additional payments to make up this deficit. In August 2008 it was agreed that in principle Age UK Sheffield would pay £8,412 per year for 10 years starting in 2008/09. Payments of £8,412 have been made this year

The company's contributions to the final salary scheme for the period were £nil (2011: £nil) as there are no remaining active members of the scheme.

A full actuarial valuation was carried out as at 1 April 2010 and updated to 31 March 2012 by a qualified actuary.

FRS 17 details

Amounts recognised in the balance sheet

	2012 £'000	2011 £'000
Fair value of scheme assets	210	201
Present value of scheme liabilities	252	(228)
Deficit in the scheme	(42)	(27)

Amounts recognised in the SOFA

Expected return on scheme assets	13	11
Interest on scheme liabilities	(12)	(13)
Current service costs	(1)	(2)
Total pension cost recognised in the SOFA	-	(4)

Amounts recognised in the statement of total recognised gains and losses

Actuarial (loss)/ gain relating to the year	(23)	18
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Balance sheet reconciliation

Gross balance sheet liability at 1 April	(27)	(49)
Pension expense recognised in the SOFA in the year	-	(4)
Amounts recognised in the statement of total recognised gains and losses in the year	(23)	18
Actual contributions made by the employer in the year	8	8
Gross balance sheet liability at 31 March	(42)	(27)

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

14. Pension scheme - continued

	2012 £'000	2011 £'000
Change in scheme assets		
Fair value of scheme assets at 1 April	201	182
Expected return on scheme assets	13	11
Employer contributions	8	8
Benefits paid	(9)	(13)
Actuarial (loss)/ gain on assets	(3)	13
Fair value of scheme assets at 31 March	<u>210</u>	<u>201</u>

Change in scheme liabilities

Scheme liabilities at 1 April	228	231
Current service cost	1	2
Interest cost	12	13
Benefits paid	(9)	(13)
Actuarial loss due to experience	5	10
Actuarial loss/ (gain) due to change in assumptions	15	(15)
Present value of scheme liabilities at 31 March	<u>252</u>	<u>228</u>

Principle weighted average actuarial assumptions

	2012	2011
Inflation assumption (RPI)	3.2%	3.2%
Inflation assumption (CPI)	2.2%	2.7%
Rate of increase in salaries	n/a	n/a
Discount rate	5.0%	5.5%
Rate of increase in pensions	2.5-3.2%	2.5-3.2%

Expected return on scheme assets

	Long term rate return expected at <u>31.03.12</u>	Value at <u>31.03.12</u> £'000	Long term rate return expected at <u>31.03.11</u>	Value at <u>31.03.11</u> £,000
Equities	6.80%	106	7.70%	103
Gilts	3.30%	63	4.20%	55
Bonds	5.00%	29	5.50%	28
Property	5.30%	15	6.20%	14
Cash	3.30%	(3)	4.20%	1
	<u>5.43%</u>	<u>210</u>	<u>6.32%</u>	<u>201</u>

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

14. Pension scheme - continued

Historical analysis

Details of assets, liabilities and experience gains and losses for the year to 31 March

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Fair value of scheme assets	210	201	182	150	171
Value of scheme liabilities	(252)	(228)	(231)	(203)	(203)
Deficit in the scheme	(42)	(27)	(49)	(53)	(32)
Experience adjustments on scheme assets	(3)	13	25	(28)	(4)
Experience adjustments on scheme liabilities	(5)	(10)	(7)	(9)	(14)
Cumulative actuarial gain at 31 March	8	31	13	13	34

15. Designated funds

	As at 1 April 2011	Resources expended	Transfers	As at 31 March 2012
Transition fund	50,000	(20,000)	(10,000)	20,000
Connect membership scheme	20,000	-	115,000	135,000
Relocation and re-organisation	-	-	22,000	22,000
Auto enrolment (Pensions)	-	-	2,459	2,459
Loyalty bonus	10,000	(10,000)	-	-
	80,000	(30,000)	129,459	179,459

Transition fund

The charity is currently sustaining substantial funding cuts from the statutory sector. £50,000 of the charity's funds was designated in 2011 towards the transition between statutory sector funding and individual paying customers and this is being released over the period of the funding cuts. £10,000 is no longer required so has been transferred back to the general fund.

Connect Membership Scheme

The charity is developing a new service to be launched in 2012/13, a fund of £135k has been designated towards its ICT infrastructure, service development, marketing and promotion.

Relocation and Re-organisation

The charity has set aside £22k towards reorganisation costs of current services and scoping for alternative premises due to the current leases ending in 2013.

Auto-Enrolment

In preparation for Auto enrolment, the charity has set aside some unrestricted funding received in 2011-12 towards its implementation.

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

15. Designated funds - continued

Loyalty bonus

Due to the unstable economic environment no pay awards were given to staff during 2010-11. A fund of £10,000 was set aside in 2011 to be paid as a loyalty bonus to reward current staff who were employed during 2010-11 for their hard work and commitment to the charity. This has now been paid.

16. Restricted funds

	As at 1 April 2011 £	Incoming resources £	Resources expended £	Transfers £	As at 31 March 2012 £
Central Services					
The J. G. Graves Charitable Trust	1,688	-	(456)	-	1,232
Crystal Peaks Shopping Centre	7,438	-	-	-	7,438
The Talbot Trust	-	1,197	(1,197)	-	-
	<u>9,126</u>	<u>1,197</u>	<u>(1,653)</u>	<u>-</u>	<u>8,670</u>
Day/Group Services					
Sheffield City Council Day Centres	-	44,759	(60,551)	15,792	-
The Talbot Trust	-	3,000	(3,000)	-	-
Age UK – Vintage radio	-	200	-	-	200
Age UK OLGBT	529	-	-	-	529
Sheffield Well-Being Consortium	-	1,650	(1,650)	-	-
Digital Outreach Ltd	-	4,000	(4,000)	-	-
Wilkinsons	-	565	(565)	-	-
	<u>529</u>	<u>54,174</u>	<u>(69,766)</u>	<u>15,792</u>	<u>729</u>
Support in the home					
MacMillian Customer Assistant Resource Officer	-	35,229	(35,923)	-	(694)
MacMillian Support Planner	-	35,345	(35,386)	-	(41)
Handyperson Service	-	18,876	(18,876)	-	-
AgeUK – Eon funding	-	16,900	(16,900)	-	-
SY Community fund (Winter Warm payment)	-	2,625	(2,000)	-	625
Digital Outreach (VAS)	-	2,235	(2,235)	-	-
	<u>-</u>	<u>111,210</u>	<u>(111,320)</u>	<u>-</u>	<u>(110)</u>
Information & Advocacy					
Information Service					
Westfield Contributory	-	47,500	(51,335)	3,835	-
Beatrice Laing Trust	2,000	-	-	-	2,000
H M Burdall Charity	-	1,000	(1,000)	-	-
Digital Outreach	-	1,384	(1,384)	-	-
Sheffield Town Trust	4,414	-	-	-	4,414
WG Edwards Foundation	2,000	-	-	-	2,000
	<u>8,414</u>	<u>49,884</u>	<u>(53,719)</u>	<u>3,835</u>	<u>8,414</u>
	<u>18,069</u>	<u>216,465</u>	<u>(236,458)</u>	<u>19,627</u>	<u>17,703</u>

AGE UK SHEFFIELD

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2012

16. Restricted funds - continued

Restricted funds relate to specific services/ projects being undertaken. These are shown separately but categorised in the main activities of the charity

Transfers

The transfers from unrestricted to restricted funds have been made to cover the deficits on specifically funded projects.

17. Analysis of group net assets between funds

	General funds	Designated funds £	Restricted funds £	Total £
Fixed assets	1,621	-	-	1,621
Current assets	336,288	179,459	17,703	533,450
Creditors: amounts falling due in less than one year	(98,603)	-	-	(98,603)
Defined benefit pension liability	(42,000)	-	-	(42,000)
Total net assets	<u>197,306</u>	<u>179,459</u>	<u>17,703</u>	<u>394,468</u>

18. Lease commitments

	Land and buildings		Equipment	
	2012 £	2011 £	2012 £	2011 £
Leases expiring in:				
Two to five years	<u>11,493</u>	<u>11,493</u>	<u>9,336</u>	<u>9,336</u>

19. Related party transactions

Graham Moore has been a Trustee and Director since April 2007. He is also Chairman and Chief Executive of Westfield Health who have made an annual donation to the charity for a number of years £47,500 was donated in the year to 31 March 2012 (2011: £47,500).