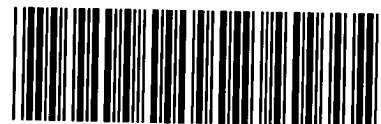


Registered number: 05207254
Charity number: 1108413

AGE UK SHEFFIELD

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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AGE UK SHEFFIELD
(A company limited by guarantee)

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AGE UK SHEFFIELD
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017**

Trustees

Mr David Campbell, (Deputy Chair to 9 February 2017, then Chair)
Mrs Mary Butler (appointed 18 May 2017)
Mr Tim Furness (appointed 9 February 2017)
Mr Paul Harriman (appointed 9 February 2017)
Mrs Angela Hunt
Mr Gordon Littlewood (resigned 6 September 2016)
Mrs Morag Maddocks
Ms Melanie Perkins
Ms Melinda Riley
Ms Jo Roy
Prof Mike Smith, (resigned as Chair 9 February 2017, resigned as Trustee 28 February 2017)
Mrs Ruth Wilson

Company registered number

05207254

Charity registered number

1108413

Registered office

1st Floor, South Yorkshire Fire & Rescue, 197 Eyre Street, Sheffield, South Yorkshire, S1 3FG

Senior management team

Mr Stephen Chufungleung, Chief Executive and Company Secretary
Ms Teresa Barker, Deputy Chief Executive / Head of Service Delivery and Standards
Ms Jacqui Browne, Head of Finance
Mr Andy Callard, Business Development Manager (leave date: 17 October 2017)

Independent auditors

Shorts, Cedar House, 63 Napier Street, Sheffield, South Yorkshire, S11 8HA

Bankers

Barclays Bank plc, 2-12 Pinstone Street, Sheffield, South Yorkshire, S1 2HN

AGE UK SHEFFIELD
(A company limited by guarantee)

INTRODUCTION
FOR THE YEAR ENDED 31 MARCH 2017

We would all like to grow old and, if and when we get there, we would like to know we will live happy, independent, and fulfilled later lives.

Fortunately, many of us, our friends and loved ones, will live to enjoy our retirement. We will hope to have:

- Enough money to live on, and to enjoy life with
- A good quality of health and housing
- Friends, family members and social activities to enrich our lives
- A support network to call upon when we need it.

But what would you do if you were struggling in one or more of these things? Well, if you live in Sheffield, you could contact Age UK Sheffield for our help.

Our high-quality team of advice and support workers help people aged 50 or over to keep or regain their independence in many different ways, such as:

- Supporting people to maximise their income
- Helping people to access aids and adaptations, to live safely at home
- Helping people to improve the quality of their housing, or move house if they need to
- Connecting people to local social groups, and the money and transport to get there
- Helping people to create the support network which will help them to remain independent.

Best outcomes for all

Supporting people to live independently at home maximises the chance of the best outcomes for the person, their family, and the community. It enables people to live safely in their home environment, surrounded by their own comforts and belongings. It gives relatives peace of mind that their loved ones can live independently with a support network. It also minimises costs to the health and social care system by avoiding unnecessary hospital admissions; enabling people to leave hospital when they are able to, with the right support; and reducing the need for residential care.

Funding our work

As the older population grows, and times get tougher, demand for Age UK Sheffield services continues to increase. Our vital work is only possible because of contracts or grant aid we are awarded, or the generosity of individuals and local businesses. As with all local charities, the funding available to us is getting tighter and tighter. We will keep working to meet the growing needs of older people in our city, so we can all look forward to enjoying our later life. We hope you can support us to do so.

Name  David Campbell
Chair

 Steve Chu
Chief Executive

Date 26 October 2017

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2016 to 31 March 2017. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Age UK Sheffield is a charity and registered company. It is governed by a board of Trustees. Age UK Sheffield Enterprises Ltd is a company wholly owned by Age UK Sheffield. It is governed by a Board of Non-Executive Directors. The latter engages in trading activity and transfers its surplus to the Charity.

Since the Charity and the Group qualifies as a small company under section 383 of the Companies Act 2006, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

CHARITY OBJECTIVES

The objectives of Age UK Sheffield are to enable people aged 50 and over in Sheffield to live independent and fulfilled later lives, through the provision of information, advice and services. We believe in a holistic, person-centred approach, supporting older people to achieve their own needs and wants, and empowering them to maintain their independence. We may do this by enabling people to increase their financial, physical and mental health and wellbeing, through, for example, increasing benefits claimed, supporting claims for aids and adaptations to the home, and connecting people to local services and resources.

The Trustees' report below will detail how these objectives were achieved in 2016/17, through the provision of the following services:

- Information and Advice Services, supported by Westfield Health.
- Independent Living Services - under contract to Sheffield City Council and NHS Sheffield Clinical Commissioning Group. Under contract to Age UK (to September 2016). Supported by Macmillan Cancer Care (to September 2016). Supported by the Chancellor using LIBOR fines. Supported by the Big Lottery Fund and Weston Park Cancer Charity (from October 2016).
- Wellbeing Centre - under contract to Sheffield City Council, and to privately-funded customers.
- "At Home" paid-for services.

In 2017/18, we are continuing to deliver the same services in pursuit of our objectives.

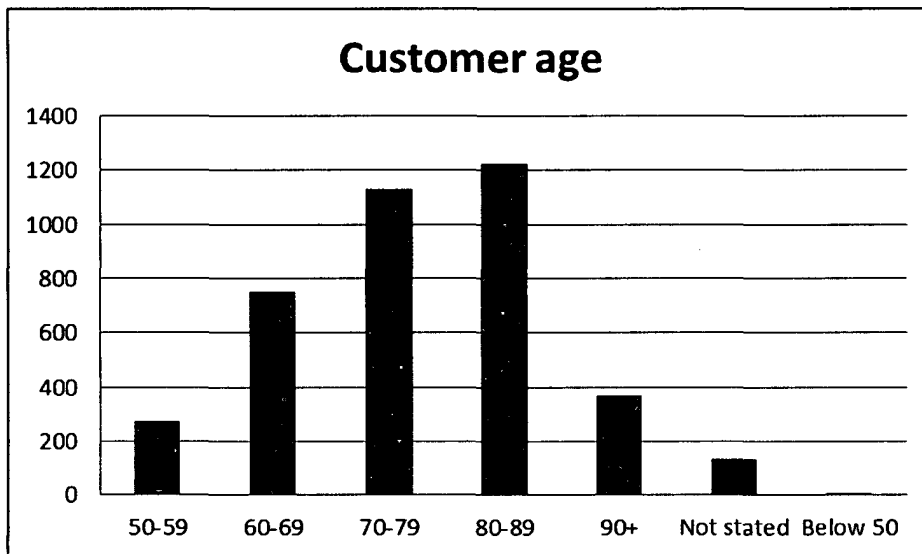
AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

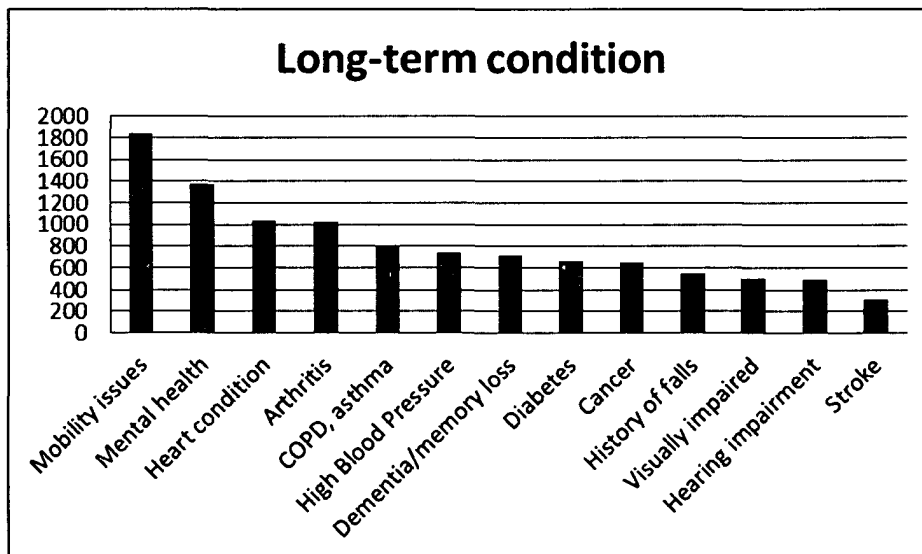
2016/17 - the people we supported

In 2016/17, we supported 3,896 customers with recorded case work. In addition, we handled a further 250 information enquiries per month and received over 17,000 visitors to our website.

Around 60% of our case work was with female customers. Whilst we support older people in Sheffield aged 50 and over, the majority of our customers were in their 70s or 80s.



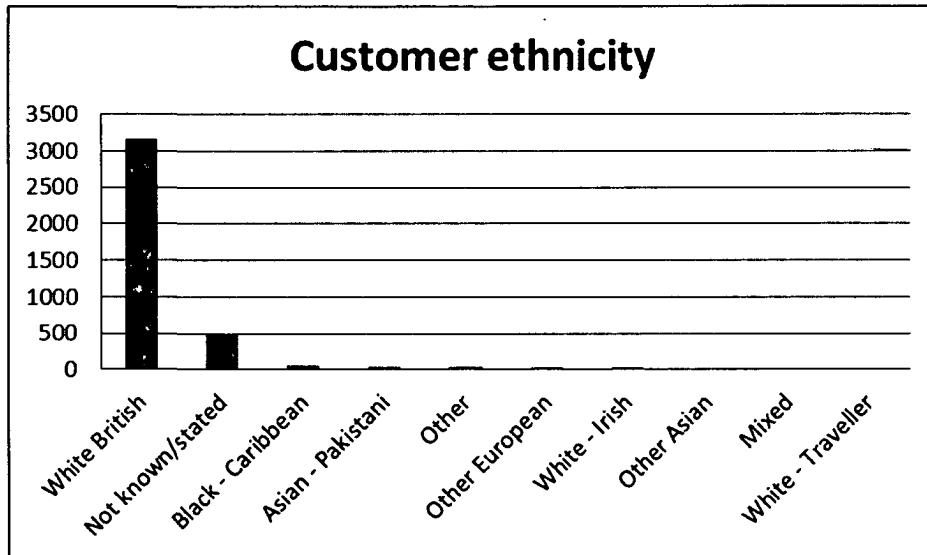
The majority of our case work customers were living with long-term health conditions – in most cases, multiple long-term conditions.



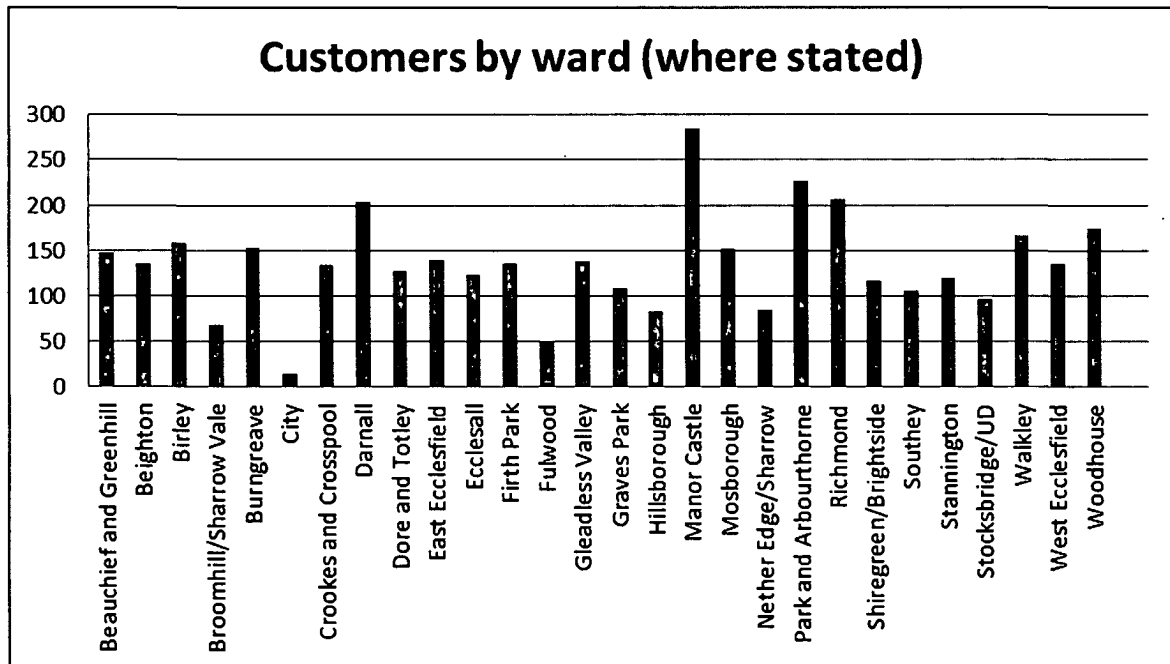
AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

The vast majority of our customers are White British.



Our service operates city-wide across Sheffield. This is reflected in figures that show that, every week, in most Sheffield ward areas, we are providing independence support to at least two people.



AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

The impact we made

Across all our services in 2016/17, we helped 588 customers to access £2,684,494 in benefits, grants or other income they were eligible for but were not claiming. Due to the work of our staff, 12 customers are now better off by more than £15,000 each, with 5 of them benefitting by more than £20,000.

Connected in Sheffield

We made 9,556 customer referrals to 1,359 different projects and services, most of them in Sheffield. The largest number of external referrals we made were to:

- Sheffield City Council Equipment and Adaptations
- Sheffield Community Transport
- Telephone Preference Service
- Sheffield Stay Put
- Department for Work and Pensions
- South Yorkshire Fire & Rescue Home Safety Checks
- Mail Preference Service
- Smart Energy GB
- City Wide Care Alarms
- NRS Healthcare Mobility Aids

We also made referrals to many local community partners, such as:

- Beighton Limes Community Centre Lunch Club
- Heeley City Farm – Crafternoons
- Agewell Friends of Frecheville
- Grenoside Ladies Group
- Roshni Asian Women's Resource Centre
- Zest Swimming Club
- Woodhouse Wildlife Group
- Sheffield Zen Buddhist Group
- Lowedges Community Centre Sequence Dancing

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Customer feedback about our staff

"She really listened and understood our problems, she's like a member of your family, you can talk to her. Whereas sometimes with [others], you keep talking to them but they aren't listening, they are always looking at their watch, I know they only have a certain amount of time. We were getting upset at various points when we were talking with her. We didn't feel rushed with her, we could take our time and that meant we could really open up, she was fantastic."

"When my partner had come home to die I was flooded with doctors and nurses. It was awful. Since then I have been a bit wary of more people coming in. But she was wonderful. She walked into my house a complete stranger but I felt so comfortable speaking with her. She spoke to me perfectly without making me feel stupid, needy, humbled, or anything like that. It made me feel like I could confide in her lots of things I had been worrying about as well as what I would like to do. She didn't laugh at me, look down at me or judge me. She treated me like an equal."

"Within a couple of days of her coming round, I was getting the help I needed, she got the right people to help me and she helped me fill in the forms at a time when I didn't know where to start. Without Age UK Sheffield I don't think I would be alive today to be quite honest."

"They are very knowledgeable; they seem to know all the right people. And we got the help we needed so quickly, within days. In the past we have had to wait over eight weeks to get a response from social care – and that was just a receptionist calling to find out what we wanted so she could then pass the request onto the right team."

"In my experience Age UK Sheffield are the only people who have been able to get things done for us. We may not be able to do it ourselves initially. But they pointed us in the direction and came along and helped us rather than just telling us to telephone someone. It makes me think all the other organisations are playing about."

"After my stroke I was just sat in the house watching telly. I didn't want to go out. They helped me get rails on the front door. They also helped me with the forms for my allowances – I am dyslexic and can not fill them in. I am now better off and I can afford to run a mobility scooter. My life has gone from surviving to be able to actually enjoy things."

"Age UK Sheffield is like a friend that's stood behind you. That makes me feel more in control and secure. I was married for 47 years and then my husband died. All of a sudden it felt like I had been dropped into a lonely place. I felt so alone, I can't ask my son all the time because he has children of his own. I feel I can ring Age UK Sheffield and they will help me to find answers that I wouldn't be able to find myself."

"When I came out of hospital I didn't know which way to turn to get the help I needed. I had been given forms but I didn't know what to do with them, it was horrendous, and so are the forms. She helped me to sort the forms out, got a lot of things sorted out for me. With her help I am now better off financially, it means I don't worry as much about money."

"Before we met Age UK Sheffield, my Dad was bedridden. With their help, we were able to get him out, to sit in the chair, to go out for a Chinese, it got us all back to what I call normal, to a place where he could interact. Without their help we couldn't have got him out of bed. And Dad would have ended up in a home."

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Funding our services

Most of our services are delivered under contract or through grant aid. We continue to be extremely grateful to everyone who funds us to support older people in Sheffield.

We have received significant, long-standing support from the following organisations:

- NHS Sheffield CCG
- Sheffield City Council
- Westfield Health
- Marjorie Coote Older People's Charity Fund
- Age UK
- Sheffield Town Trust
- Sheffield Church Burgesses Trust

We are extremely grateful to new, significant sources of grant aid which started in 2016/17:

- Weston Park Cancer Charity
- Big Lottery Fund
- The Chancellor of the Exchequer, distributing LIBOR fines

We are also thankful to Macmillan Cancer Support, with whom we worked successfully for many years.

We are also grateful to many other organisations, companies, individuals, and service users who have supported our work in 2016/17.

Age UK

Whilst we are an independent, local charity, which only works in Sheffield, our partnership with Age UK is strong and mutually beneficial.

During 2016/17, we worked with Age UK as local delivery partners for a wide range of projects. These bring national research, expertise and resources to help address the issues we know older people are experiencing in Sheffield.

We believe we have developed a reputation for delivering excellent outcomes for Age UK, which we hope stands us in good stead for being involved in future national projects.

Among the Age UK projects we were involved in were:

- Integrated Care Pilot – reducing costs to the health and social care system. We supported older people with multiple long-term conditions and previous unplanned hospital admissions to reduce the likelihood of future unplanned admissions
- E.ON Benefits Take-Up – supporting older people to access benefits they are entitled to but not claiming
- Prudential Later Life Links – providing excellent customer service through an initial triage conversation to link people into our full range of services
- Smart Energy GB – raising awareness of the smartmeter rollout
- British Gas Energy Trust Healthy Homes – supporting people living in fuel poverty to live in warmer, better-insulated homes and reduce their energy costs.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Information and Advice

Our Information and Advice service is generously supported by Westfield Health, enabling us to deal with a wide range of enquiries over the phone and face-to-face. In 2016/17, we handled over 7,000 enquiries from more than 2,488 people.

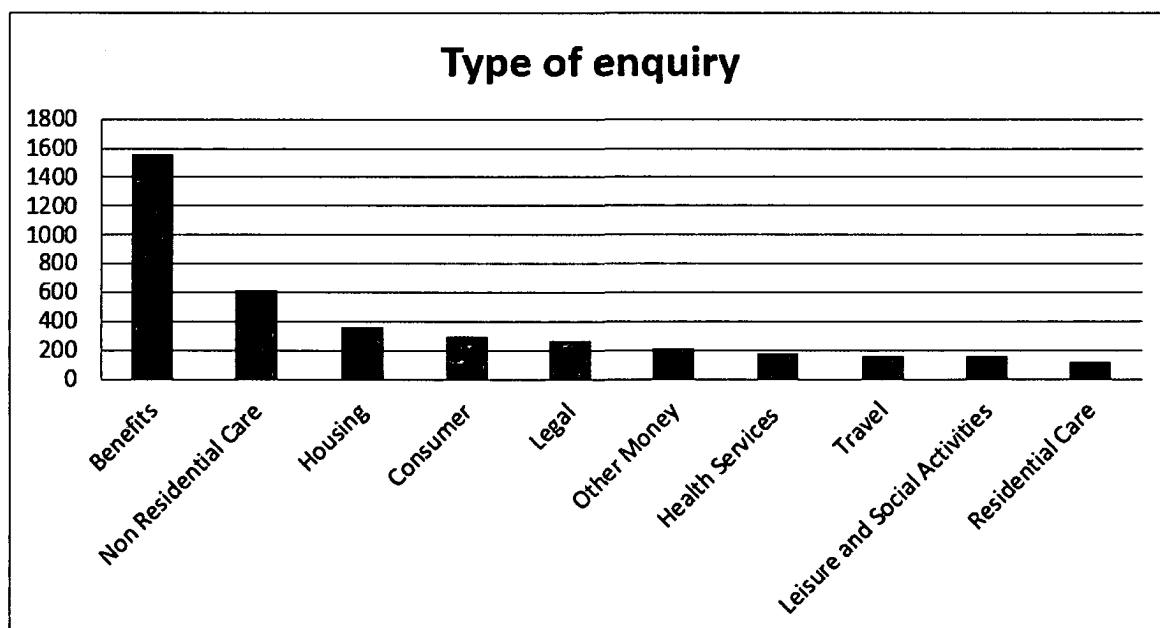
In 2016/17 we began to deliver information and advice on an outreach basis at sites across the city. We reached over 50,000 people at more than 90 information sessions.

Some of the locations in which we delivered information and advice were:

- Upperthorpe Medical Centre
- Brindley and Mandela TARA
- Chinese Community Centre
- Roman Ridge residential accommodation
- Mary Tozer House care home
- St John's Abbeydale Lunch Club
- Intake Wives Club
- Memory Service at the Northern General Hospital
- Sheffield Health and Social Care Trust AGM
- Dovedale Ward, Nether Edge Hospital
- Gleadless Valley TARA
- Senior Blades

Most common enquiries

Benefits advice is by far the most sought-after enquiry.



AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Independent Living Co-ordination

Our ILC service represents the Gold Standard in supporting older people to live independent and fulfilling lives. We take a holistic, person-centred approach which supports the whole family environment, and is built on the essential features of:

- Empowering the person we are supporting, using guided conversations to understand their needs and aspirations
- Co-ordinating services and resources around the needs of the individual, putting the person first
- Understanding that support for carers and family members may be integral to the independence of the individual
- Building independence, control and support networks so that when our service ends, the person is ready and empowered to continue living well
- Continuing to be available to provide support if the person's circumstances change after our service ends.

Importantly, the ILC service is typically available to people for up to three months. This provides the time needed to achieve outcomes which are essential for many people, such as full benefits checks, and aids / adaptations to the home, which cannot be addressed by services which operate for a shorter period.

Our ILC service was one of nine pilot sites for the national Age UK Integrated Care Programme. This project worked with people with multiple long-term conditions and previous unplanned hospital admissions, aiming to prevent future unplanned admissions. An interim evaluation of this pilot found that people benefitted from:

1. Improved financial outcomes, through maximising claimed benefits
2. Improved physical health and mental wellbeing
3. Improved social connections – on average, ILCs made over nine referrals to local services, resources and activities per client.

Wellbeing Centre

At the Age UK Sheffield Wellbeing Centre, we believe that memory loss shouldn't be a barrier to fun, friendship and stimulation for the mind. We're passionate about creating a safe, loving and welcoming environment for our members. We sing. We dance. We play. We make things. And above all else, we laugh. The Wellbeing Centre is like nowhere else. After all, we designed it as a place that we'd want to go to. Whether its Mexican week, or the visits by therapy pony Leo, painting, or an archery competition, we always make fun happen.

Our customers and their families tell us it is a great place to go:

- "It means so much to me that my husband has more to his life than just sitting in his armchair doing nothing - I really appreciate what you do for us both."
- "These are the best days of Auntie's life. This place is keeping Auntie going and is such a lifeline. I don't know what would happen to her without you."

At Home With Age UK Sheffield

Sometimes our family members need a little extra help at home to do the things that aren't so easy any more. Things like shopping, getting out and about, dealing with letters and bills, making a hot meal, and getting to important appointments.

But with Age UK Sheffield's paid-for At Home service, older people can stay independent and in their own home whilst getting the support they need.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Friends of Age UK Sheffield

Computer classes, nature walks, coffee mornings, jewellery making... just some of the huge range of activities our members benefitted from in 2016/17. Our digital champions even showed 99-year-old Kathleen Mysberg how to Skype her family who live in the south of England and overseas!

Our events calendar helps keep older people in Sheffield active, connected, and in touch with local networks.

From April 2017, we have also welcomed Sheffield 50+ members with the same offer and, through Sheffield City Council's Age Hub, are providing all our members with older people's voice, representation, and the opportunity to influence local decision-makers.

Other partnerships

We have built partnerships throughout Sheffield to expand the reach of our support to older people. We lead a partnership delivering social prescribing in the Dore and Totley area. And we are on several other similar partnerships right across the city.

We ran an exciting new project, Khala's Place, providing support and connections to isolated older Asian women in the Tinsley area, funded by the Age Better in Sheffield programme.

We work closely with local GPs and the City Council's Community Support Workers to ensure older people who need our help are referred to us. And we connect older people to over a thousand local projects and services in Sheffield. We are the largest single referrer to the city's lunch club network.

We have corporate partnerships with many local businesses who provide offers to our members, or staff to volunteer to support our work.

Our Chief Executive sits on the Sheffield Social Leader's Network, Voluntary Action Sheffield's Third Sector Consortium, and the University of Sheffield's Care-Connect Leadership Group.

Fundraising

We had some great fun, and great results, in our fundraising activities in 2016/17. We are extremely grateful to everyone who supported us. Some of the highlights included:

- The South Yorkshire firefighters and Everly Pregnant Brothers' Christmas song "Chip pan", which raised over £2,000 for us
- Over £3,000 raised at the Sheffield & District Society of Chartered Accountants' annual dinner
- Sheffield Hallam University events management students raising over £12,000 for us in an amazing series of events, including Sheffield's first family duathlon
- Being Sheffield United's charity of the year in their promotion season.

Volunteers

We couldn't operate the range of services we do without the huge commitment, skills and enthusiasm of our volunteers. We are extremely grateful to all the volunteers who support our fundraising activities and services, within our Information & Advice, Wellbeing Centre, and Age Better in Sheffield teams.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Our Future

During the summer of 2017, we moved offices from Castle Square to the first floor of South Yorkshire Fire & Rescue's headquarters, on Eyre Street.

Our Castle Square office served us well for many years but, with the closure of the old Castle Markets, footfall to that part of the city has declined. Our new office is directly opposite the new Moor Market, in an area of the city centre that is developing by the month.

We are working on an exciting project to bring back to life an historic Sheffield building, developing it into a much needed activities and resource centre for the older people of Sheffield.

And Finally

Our work is never done. We helped around 4,000 older people in Sheffield in 2016/17 through our case work, and thousands more with information enquiries. But many, many more are living in poverty, poor health, poor housing, and in isolation.

We estimate that, in Sheffield, there are:

- 100,000 people aged 65 or over
- 11,800 people aged over 85
- 7,000 people living with dementia
- 14,000 Sheffield pensioners living below the poverty line
- 7,000 living in severe poverty
- 6,000 pensioners living in a damp home in Sheffield
- 4,000 who can't keep their home warm.

We continue to seek the funding which would enable us to support as many of these people as possible.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL REVIEW

Following a two-year period of planned investments, we are pleased to report the Charity recorded a small underlying surplus for the year ending 2016/17. The overall surplus of £96k was largely due to our being the grateful recipients of a generous legacy of £86,700, which the Board has decided to designate for future investment in projects to support the long-term success of the Charity. Additionally, some grant aid funding received for specific projects was not spent in the year and has been carried forward. The underlying position of a small surplus was achieved through a significant amount of management work which was undertaken to improve the Charity's financial position after the investment period in which reserves were used to support organisational development. To help return the Charity to a neutral or surplus budget, staff efficiencies were made in the Spring of 2016.

Additionally, all our significant contracts and grants which were due to expire in 2016/17 were either renewed or replaced. These significant sources of funding were listed in the "Charity objectives" section earlier. A full list of our financial supporters is recorded later in this report.

INCOME OVERVIEW

The main sources of income continue to be contracts and grants to support our Independent Living Co-ordination work with vulnerable older people. During 2016/17 we were preparing for the end of the significant funding we had received from MacMillan Cancer Support over many years, and from Age UK and NHS Sheffield CCG for the one-year Integrated Care Pilot. Both these projects came to an end in the autumn of 2017.

During Spring 2017 we acquired new funding from being part of Age UK's Healthy Homes programme, a regional Age UK Aged Veterans programme, and a significant Big Lottery Fund grant to deliver a Benefits At Home project. Later in 2017 we agreed a new cancer service with the support of Weston Park Cancer Charity.

Income from paid-for services and community fundraising increased in 2017 and our local performance in insurance commissions also improved, although the latter was offset by a decline in renewals in line with national trends.

EXPENDITURE OVERVIEW

The vast majority of our spending continues to be on staff to deliver services to older people. Following the two-year investment period, in 2016/17 we carried out a restructure which reduced our staff costs. We also made some investments in preparation for our office move, which took place in June 2017, achieving further ongoing savings.

Aside from current employees, we contribute to a repayment plan in respect of a defined benefit pension scheme in respect of one former member of staff. Age UK Sheffield is not a grant-making charity.

CASH POSITION

As at 31 March 2017 the Charity had a cash balance of £453k on a consolidated basis (2016: £408k).

FIXED ASSETS

We did not own any fixed assets of significant value at 31 March 2017.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

LIST OF FINANCIAL SUPPORTERS

We would like to thank everyone who supported the work of Age UK Sheffield during 2016/17, and give particular thanks for the financial support given by:

Age UK
Age UK Support Services (Yorkshire & Humber)
Arthur Lee distribution from Endowment Fund
Big Lottery Fund Grant
Macmillan Cancer Support
Marjorie Coote Old People's Charity Fund
Maximus Foundation UK
Santander UK
Sheffield & District Law Society
Sheffield & District Society of Chartered Accountants
Sheffield City Council
Sheffield Clinical Commissioning Group
Sheffield Hallam University
Sheffield Town Trust
Shrewsbury Hospital
South Yorkshire Police and Crime Commissioner
South Yorkshire's Community Foundation
The Charitable Trust of Westfield Health
The J G Graves Charitable Trust
The Jusaca Charitable Trust
The Talbot Trusts
The Zachary Merton & George Woofindin Convalescent Trust
University of Derby
Weston Park Cancer Charity
Yorkshire Building Society Charitable Foundation
Individual customers of Age UK Sheffield
Individual donors to Age UK Sheffield
Individuals leaving legacies to Age UK Sheffield

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

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.

RESERVES POLICY

Age UK Sheffield's reserves comprise both restricted (money to be spent on a specific activity, as determined by the funder) and unrestricted funds. The Trustees have agreed the target level of free reserves based on operating costs; possible redundancy costs arising from unexpected termination of contractual arrangements or grants; and provision for development and/or dilapidations. In their opinion the working reserves therefore need to be at least £214k.

The Board has chosen to designate a proportion of our total reserves for long-term investments in projects to support the long-term success of the charity which include a building redevelopment project with the aim of creating a new older people's centre, and to support renewal of information and computer technology infrastructure.

At 31 March 2017, Age UK Sheffield's free reserves were £308k, compared to £281k in the previous year. The pension deficit reserve valuation shows a liability of £47k (2016: £37k liability).

The Charity therefore has adequate working reserves and the funding necessary to contribute to the future plans and continued development to maintain the sustainability of the Charity.

PLANS FOR FUTURE PERIODS

Age UK Sheffield will continue to strive to be a provider of choice in delivering health and social care services to support local older people to live independently, whilst seeking to build our financial independence by expanding the range of our sources of income.

In common with many Age UK Brand Partners, funding from the local authority has declined significantly. We believe we can help the NHS to achieve significant savings through preventing unplanned admissions and reducing delayed transfers of care, and are working to develop new income sources in this respect.

We are also exploring the possibility of capital funding submissions to develop the derelict Old Coach House in Hillsborough Park as an older people's resource and activities centre.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

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At 31 March 2017, Age UK Sheffield's free reserves were £321k, compared to £281k in the previous year. The pension deficit reserve valuation shows a liability of £47k (2016: £37k liability).

The Charity therefore has adequate working reserves and the funding necessary to contribute to the future plans and continued development to maintain the sustainability of the Charity.

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AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

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 new Memorandum and Articles of Association.

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 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 sells a wide range of products including household, travel and motor insurance 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 Conduct Authority.

The Age UK Sheffield group is a Brand Partner of the national Age UK network, meaning we are completely independent. Our Memorandum and Articles of Association are clear that we support older people within the city of Sheffield.

In April 2017, we completed a merger with another local charity, Sheffield 50+, whose main objects are to support the voice and representation of older people in Sheffield, and this has been absorbed into Age UK Sheffield.

TRUSTEES

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. During 2016/17, our former Chair, Professor Mike Smith, resigned from the Board after over five years' service, as did Maurice Littlewood. New Trustees recruited were Tim Furness, Paul Harriman and Mary Butler. All our Trustees serve on the Boards of both the Charity and the trading arm.

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 and the opportunity to observe or shadow front-line service delivery. 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 serve for a three-year term and may usually serve for up to three terms.

MEETINGS

Trustees meet, as a collective board, six times each year to receive operational, strategic and governance reports. They additionally attend an annual strategic planning day. The Finance Committee 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 and Governance Committee meets quarterly to oversee HR-related issues, policies and procedures.

Following the merger with Age UK Sheffield, quarterly Sheffield 50+ Advisory Group meetings are also held and reported to the Board.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

TRUSTEE DEVELOPMENT

At Age UK Sheffield we are committed to the development of our Trustees as part of our governance processes. During 2016/17 our current chair, David Campbell, attended the Age UK regional conference; the BHP annual charity conference; and the Age UK national treasurers' conference.

PARTNERSHIPS

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.

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. During 2016/17, our Chief Executive was elected to the Board of the Age England Association, of which he is therefore a Director.

During the year, the Chief Executive was also co-opted onto the steering group of Voluntary Action Sheffield's Third Sector Consortium, which seeks to maximise funding opportunities for voluntary sector organisations in the city. He is also on the steering group of the University of Sheffield's Care Connect network.

PAY POLICY FOR SENIOR STAFF

The directors are the Charity's Trustees. The senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 9 and note 21 to the accounts.

The pay of the senior staff is reviewed annually as part of the whole organisation's annual pay award review, which is subject to market conditions.

RISK MANAGEMENT

Strategic risk management is regularly overseen by the Board. An annual review of the risk register takes place, with quarterly updates supplied to the Board to give Trustees oversight of changes to the main risks.

Like many local charities, the main risks facing Age UK Sheffield relate to the potential for not achieving income targets, either through loss of contracts or a reduction in grants and gifts. These risks are being managed through a proactive approach to assessing contract risks and opportunities, a planned programme of grant-aid appeals, and ongoing attention to the costs of the organisation.

TRUSTEES' INDEMNITIES

The Trustees, as directors of the charitable company, have been granted a qualifying third party indemnity provision under section 234 of the Companies Act 2006. This does not provide cover in the event of a director being proved to have acted fraudulently or dishonestly.

AGE UK SHEFFIELD
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2017

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' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

DISCLOSURE OF INFORMATION TO AUDITORS

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 charitable Group's auditors are 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 charitable Group's auditors are aware of that information.

This report was approved by the Trustees on 26 October 2017 and signed on their behalf by:


Mr David Campbell
Chair

AGE UK SHEFFIELD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE UK SHEFFIELD

We have audited the financial statements of Age UK Sheffield for the year ended 31 March 2017 set out on pages 21 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Charity 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.

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 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' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charitable company's and group's affairs as at 31 March 2017 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

AGE UK SHEFFIELD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE UK SHEFFIELD

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the 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 charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption.

Howard Freeman (Senior statutory auditor)

for and on behalf of

Shorts

Chartered Accountants
Statutory Auditor

Cedar House
63 Napier Street
Sheffield
South Yorkshire
S11 8HA
26 October 2017

AGE UK SHEFFIELD
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	159,120	72,065	231,185	92,452
Charitable activities	3	981,884	152,682	1,134,566	1,233,660
Other trading activities	4	129,637	-	129,637	132,337
Investments	5	133	-	133	251
Other income	6	2,488	4,663	7,151	3,495
TOTAL INCOME		1,273,262	229,410	1,502,672	1,462,195
EXPENDITURE ON:					
Charitable activities:					
Raising funds		48,538	-	48,538	131,081
Charitable activities		1,124,145	215,941	1,340,086	1,369,741
TOTAL EXPENDITURE	7	1,172,683	215,941	1,388,624	1,500,822
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		100,579	13,469	114,048	(38,627)
Transfers between funds	17	(5,920)	5,920	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		94,659	19,389	114,048	(38,627)
Actuarial (losses) / gains on defined benefit pension schemes	21	(18,000)	-	(18,000)	11,000
NET MOVEMENT IN FUNDS		76,659	19,389	96,048	(27,627)
RECONCILIATION OF FUNDS:					
Total funds brought forward		293,031	7,335	300,366	327,993
TOTAL FUNDS CARRIED FORWARD		369,690	26,724	396,414	300,366

The notes on pages 25 to 42 form part of these financial statements.

AGE UK SHEFFIELD
(A company limited by guarantee)
REGISTERED NUMBER: 05207254

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	12		1,480		3,952
CURRENT ASSETS					
Debtors	15	113,998		234,141	
Cash at bank and in hand		453,334		407,862	
		<u>567,332</u>		<u>642,003</u>	
CREDITORS: amounts falling due within one year	16	(125,398)		(308,589)	
NET CURRENT ASSETS			<u>441,934</u>		<u>333,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>443,414</u>		<u>337,366</u>
Defined benefit pension scheme liability	21	(47,000)			(37,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>396,414</u></u>		<u><u>300,366</u></u>
CHARITY FUNDS					
Restricted funds	17		26,724		7,335
Unrestricted funds	17		369,690		293,031
TOTAL FUNDS	17		<u><u>396,414</u></u>		<u><u>300,366</u></u>

Included in unrestricted funds are designated funds of £107,057 (2016 - £45,088). The Charity's objective in respect to designated funds is detailed in the Trustees' report.

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 26 October 2017 and signed on their behalf by:


Mr David Campbell, Chair

The notes on pages 25 to 42 form part of these financial statements.

AGE UK SHEFFIELD
(A company limited by guarantee)
REGISTERED NUMBER: 05207254

CHARITY BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	12		1,480		2,025
Investments	13		2		2
			<u>1,482</u>		<u>2,027</u>
CURRENT ASSETS					
Debtors	15	130,659		440,438	
Cash at bank and in hand		385,255		170,553	
		<u>515,914</u>		<u>610,991</u>	
CREDITORS: amounts falling due within one year	16	(102,503)		(285,011)	
NET CURRENT ASSETS			<u>413,411</u>		<u>325,980</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>414,893</u>		<u>328,007</u>
Defined benefit pension scheme liability	21		(47,000)		(37,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>367,893</u></u>		<u><u>291,007</u></u>
CHARITY FUNDS					
Restricted funds			26,724		7,335
Unrestricted funds			341,169		283,672
TOTAL CHARITY FUNDS	17		<u><u>367,893</u></u>		<u><u>291,007</u></u>

Included in unrestricted funds are designated funds of £107,057 (2016 - £45,088). The Charity's objective in respect to designated funds is detailed in the Trustees' report.

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Board on 26 October 2017 and signed on their behalf by:


Mr David Campbell, Chair

The notes on pages 25 to 42 form part of these financial statements.

AGE UK SHEFFIELD
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	<u>46,819</u>	<u>(131,290)</u>
Cash flows from investing activities:			
Interest received		133	251
Purchase of tangible fixed assets		<u>(1,480)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(1,347)</u>	<u>251</u>
Change in cash and cash equivalents in the year		45,472	(131,039)
Cash and cash equivalents brought forward		<u>407,862</u>	<u>538,901</u>
Cash and cash equivalents carried forward	20	<u><u>453,334</u></u>	<u><u>407,862</u></u>

The notes on pages 25 to 42 form part of these financial statements.

AGE UK SHEFFIELD
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES

1.1 Company status and general information

The Charity is a private company limited by guarantee, established by constitution on 13 January 1981 in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is 1st Floor, South Yorkshire Fire & Rescue, 197 Eyre Street, Sheffield, South Yorkshire, S1 3FG and its registered number is 05207254. The nature of the Charity's operations and principal activities are included in the trustees' annual report.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Age UK Sheffield 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.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Age UK Sheffield and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.4 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

AGE UK SHEFFIELD
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.5 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.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

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

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All expenditure is inclusive of irrecoverable VAT.

AGE UK SHEFFIELD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 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 Bank.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	Over remaining term of lease
Office equipment	-	20% - 30%
Computer equipment	-	33%

1.10 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 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.

1.12 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.

1.13 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 within interest payable and similar charges.

AGE UK SHEFFIELD
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. ACCOUNTING POLICIES (continued)

1.14 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Taxation

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

1.16 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.

The Charity also participates in the Age UK Retirement Benefits scheme, a multi employer defined benefit scheme. A liability for the Charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

1.17 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.

AGE UK SHEFFIELD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. ACCOUNTING POLICIES (continued)

1.18 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the Trustees there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Critical areas of judgement:

In the opinion of the Trustees there are no critical areas of judgement required in preparing these financial statements.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations, grants and fundraising	57,327	67,788	125,115	63,054
Legacies	86,666	-	86,666	17,098
Age UK	15,127	4,277	19,404	12,300
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	159,120	72,065	231,185	92,452
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2016	92,452	-	92,452	
	<hr/>	<hr/>	<hr/>	

Included in donations, grants and fundraising are donations and grants from charitable trusts of £25,360 (2016 - £60,250).

AGE UK SHEFFIELD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

3. INCOME FROM CHARITABLE ACTIVITIES BY TYPE OF INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Group Support	719,631	48,853	768,484	191,088
Support in the Home	261,921	43,781	305,702	920,979
Information & Advocacy	332	60,048	60,380	121,593
Total 2017	981,884	152,682	1,134,566	1,233,660
Total 2016	1,074,214	159,446	1,233,660	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Charity trading income				
Age UK Sheffield Enterprises	129,637	-	129,637	132,337
Net income from other trading activities	129,637	-	129,637	132,337

Charitable trading income in 2016 was solely in relation to unrestricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank and other interest receivable	133	-	133	251
Total 2017	133	-	133	251
Total 2016	251	-	251	

AGE UK SHEFFIELD
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Reimbursed expenses	2,488	4,663	7,151	3,495
<i>Total 2016</i>	3,495	-	3,495	

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Premises costs	106,814	8,051	114,865	66,079
Administrative costs	128	56,836	56,964	52,848
Staff costs	648,424	123,529	771,953	854,834
Project costs	64,363	19,529	83,892	114,737
Support costs (note 8)	352,954	7,996	360,950	412,324
	1,172,683	215,941	1,388,624	1,500,822
<i>Total 2016</i>	1,321,426	179,396	1,500,822	

8. Allocation of support costs

	Total funds 2017 £	Total funds 2016 £
Management & Business Support	260,179	325,582
Infrastructure	39,592	26,688
Development	61,179	60,054
Total	360,950	412,324

9. GOVERNANCE COSTS

Included in support costs are governance costs of £31,223 (2016 - £37,168).

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**NOTES TO THE FINANCIAL STATEMENTS
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10. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an Audit fee of £7,750 (2016 - £9,440), and tax compliance services of £750 (2016 - £750).

11. STAFF COSTS

Total redundancy / termination payments amount to £14,325 (2016 - £17,566) and related to contracts ending and reorganisation. Included in creditors at the year end is £nil (2016 - £12,807).

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

	2017	2016
	No.	No.
Average number of employees	59	57

Average headcount expressed as a full time equivalent:

	2017	2016
	No.	No.
Full time equivalents	44	44

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

The Trustees neither received nor waived any remuneration during the year (2016 - £nil). No Trustees are accruing pension arrangements (2016 - £nil). No Trustees were reimbursed expenses in the year (2016 - £nil).

The total amount of employee benefits received by key management personnel is £153,162 (2016 - £193,568). Age UK Sheffield considers its key management personnel comprise of the Senior Management Team.

The total staff costs and employees' benefits was as follows:

	2017	2016
	£	£
Wages and salaries	925,007	980,751
Social security costs	67,514	74,789
Pension costs	20,644	23,464
Total	<u>1,013,165</u>	<u>1,079,004</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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12. TANGIBLE FIXED ASSETS

Group	Leasehold improvements £	Office equipment £	Computer equipment £	Total £
Cost				
At 1 April 2016	33,567	82,366	34,299	150,232
Additions	-	-	1,480	1,480
At 31 March 2017	33,567	82,366	35,779	151,712
Depreciation				
At 1 April 2016	33,567	81,492	31,221	146,280
Charge for the year	-	874	3,078	3,952
At 31 March 2017	33,567	82,366	34,299	150,232
Net book value				
At 31 March 2017	-	-	1,480	1,480
At 31 March 2016	-	874	3,078	3,952
Charity				
Cost				
At 1 April 2016	33,567	33,084	12,707	79,358
Additions	-	-	1,480	1,480
At 31 March 2017	33,567	33,084	14,187	80,838
Depreciation				
At 1 April 2016	33,567	33,084	10,682	77,333
Charge for the year	-	-	2,025	2,025
At 31 March 2017	33,567	33,084	12,707	79,358
Net book value				
At 31 March 2017	-	-	1,480	1,480
At 31 March 2016	-	-	2,025	2,025

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

13. FIXED ASSET INVESTMENTS

Charity	Shares in group undertakings
Cost	£
At 1 April 2016 and 31 March 2017	<u>2</u>

14. PRINCIPAL SUBSIDIARIES

Age UK Sheffield Enterprises Limited

Subsidiary name	Age UK Sheffield Enterprises Limited
Company registration number	02432642
Basis of control	Equity shareholding
Equity shareholding %	100%
Total assets as at 31 March 2017	£ 82,327
Total liabilities as at 31 March 2017	£ 53,803
Total equity as at 31 March 2017	£ 28,524
Turnover for the year ended 31 March 2017	£ 546,794
Expenditure for the year ended 31 March 2017	£ 527,632
Profit for the year ended 31 March 2017	£ 19,162

Age UK Sheffield Enterprises Limited is consolidated in the group accounts.

15. DEBTORS

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	38,881	153,305	38,780	153,305
Amounts owed by group undertakings	-	-	18,958	221,497
Prepayments and accrued income	75,117	80,836	72,921	65,636
	<u>113,998</u>	<u>234,141</u>	<u>130,659</u>	<u>440,438</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	32,913	382	15,373	-
Amounts owed to group undertakings	-	-	2,951	-
Other taxation and social security	18,052	36,745	18,052	20,435
Accruals	57,168	58,360	48,865	51,474
Deferred income (see below)	13,415	191,971	13,415	191,971
Other creditors	3,850	21,131	3,847	21,131
	<u>125,398</u>	<u>308,589</u>	<u>102,503</u>	<u>285,011</u>

Deferred income represents income deferred for Advance Club memberships received, contract funding received in advance and grant funding whose conditions will be met in 2017/18.

Deferred income

	<u>Group</u>	<u>Charity</u>
	£	£
Deferred income at 1 April 2016	191,971	191,971
Resources deferred during the year	13,415	13,415
Amounts released from previous years	(191,971)	(191,971)
Deferred income at 31 March 2017	<u>13,415</u>	<u>13,415</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31 March 2017 £
Designated funds						
Designated funds - all funds	45,088	90,587	(28,618)	-	-	107,057
General funds						
Pension reserve	(37,000)	-	8,000	-	(18,000)	(47,000)
General funds - all funds	284,943	1,182,675	(1,152,065)	(5,920)	-	309,633
	247,943	1,182,675	(1,144,065)	(5,920)	(18,000)	262,633
Total unrestricted funds	293,031	1,273,262	(1,172,683)	(5,920)	(18,000)	369,690
Restricted funds						
Restricted funds - all funds	7,335	229,410	(215,941)	5,920	-	26,724
Total of funds	300,366	1,502,672	(1,388,624)	-	(18,000)	396,414

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers £	Gains / (losses) £	Balance at 31 March 2016 £
Designated funds						
Designated funds - all funds	41,365	63,128	(41,951)	(17,454)	-	45,088
	<u>41,365</u>	<u>63,128</u>	<u>(41,951)</u>	<u>(17,454)</u>	<u>-</u>	<u>45,088</u>
General funds						
Pension reserve	(56,000)	-	8,000	-	11,000	(37,000)
General funds - all funds	328,283	1,239,621	(1,287,475)	4,514	-	284,943
	<u>272,283</u>	<u>1,239,621</u>	<u>(1,279,475)</u>	<u>4,514</u>	<u>11,000</u>	<u>247,943</u>
Total unrestricted funds	<u>313,648</u>	<u>1,302,749</u>	<u>(1,321,426)</u>	<u>(12,940)</u>	<u>11,000</u>	<u>293,031</u>
Restricted funds						
Restricted funds - all funds	14,345	159,446	(179,396)	12,940	-	7,335
Total of funds	<u>327,993</u>	<u>1,462,195</u>	<u>(1,500,822)</u>	<u>-</u>	<u>11,000</u>	<u>300,366</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

17. STATEMENT OF FUNDS (continued)

Fund description

a) Unrestricted funds

The funds available to the Trustees to apply for the general purpose of the Charity and Group.

b) Designated funds

Organisational commitments - Funding has also been designated for ongoing organisational commitments.

Organisational developments - Funding has also been designated for the future organisational developments.

Business plan developments - Funding has also been designated for future business plan investments.

c) Restricted funds

Restricted funds relate to specific services / projects being undertaken.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	1,480	-	1,480
Current assets	540,608	26,724	567,332
Creditors due within one year	(125,398)	-	(125,398)
Provisions for liabilities and charges	(47,000)	-	(47,000)
	<u>369,690</u>	<u>26,724</u>	<u>396,414</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	3,952	-	3,952
Current assets	634,668	7,335	642,003
Creditors due within one year	(308,589)	-	(308,589)
Provisions for liabilities and charges	(37,000)	-	(37,000)
	<u>293,031</u>	<u>7,335</u>	<u>300,366</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017	Group
	£	2016
		£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	114,048	(38,627)
Adjustment for:		
Depreciation charges	3,952	5,605
Interest receivable	(133)	(251)
Decrease in debtors	111,143	271,128
Decrease in creditors	(174,191)	(361,145)
FRS 102 pension liability adjustment	(8,000)	(8,000)
Net cash provided by/(used in) operating activities	46,819	(131,290)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	Group
	£	2016
		£
Cash in hand	453,334	407,862
Total	453,334	407,862

21. PENSION COMMITMENTS

The Charity operates a defined contributions 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 £18,277 (2016 - £20,685).

The Charity operates a defined benefit pension scheme for qualifying employees providing benefits based upon members' length of service and their salary at the date of leaving the scheme. The pension fund is funded by the payment of contributions and assets of the plan are held in a separate administered fund.

The most recent comprehensive actuarial valuation of the pension scheme assets and the present value of the defined benefit obligation were carried out on 31 March 2016 and the results of this valuation have been updated to 31 March 2017 by a qualified independent actuary.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages) :

	2017	2016
Discount rate at 31 March	2.50 %	3.40 %
Expected rates of pension increases in payments pre 2006	3.30 %	3.00 %
Expected rates of pension increases in payments post 2006	2.50 %	2.50 %
Expected rate of inflation - RPI	3.30 %	3.00 %
Expected rate of inflation - CPI	2.30 %	2.00 %

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2017	2016
Retiring today		
Males	21.9 years (age 86.9)	21.9 years (age 86.9)
Females	23.7 years (age 88.7)	23.9 years (age 88.9)
Retiring in 20 years		
Males	23.0 years (age 88.0)	23.2 years (age 88.2)
Females	25.0 years (age 90.0)	25.4 years (age 90.4)

The assets in the scheme and the expected rates of return were:

	Fair value at 31 March 2017 £	Fair value at 31 March 2016 £
Equities	70,000	52,000
Diversed growth fund	60,000	54,000
Property	21,000	20,000
Gilts and Bonds	150,000	130,000
Cash	3,000	3,000
Total market value of assets	<u>304,000</u>	<u>259,000</u>

The actual return on scheme assets was £47,000 (2016 - £7,000).

The pension scheme assets include ordinary shares issued by Age UK Sheffield with a fair value of £NIL (2016 - £NIL). Scheme assets also include property occupied by Age UK Sheffield with a fair value of £NIL (2016 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	2017 £	2016 £
Asset gains/(losses) arising during the year	38,000	(1,000)
Liability gains/(losses) arising during the year	(54,000)	15,000
	<u>(16,000)</u>	<u>14,000</u>
Total amount recognised in other comprehensive income	<u>(16,000)</u>	<u>14,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Opening defined benefit obligation	296,000	313,000
Interest expense on defined benefit obligation	10,000	10,000
Actuarial (gains)/losses on scheme liabilities	54,000	(15,000)
Net benefits paid out	(9,000)	(12,000)
	<u>351,000</u>	<u>296,000</u>
Closing defined benefit obligation	<u>351,000</u>	<u>296,000</u>

Changes in the fair value of scheme assets were as follows:

	2017 £	2016 £
Opening fair value of scheme assets	259,000	257,000
Interest income on scheme assets	9,000	8,000
Administration costs	(1,000)	(1,000)
Net benefits paid out	(9,000)	(12,000)
Gain/(loss) on scheme assets	38,000	(1,000)
Contributions by the Charity	8,000	8,000
	<u>304,000</u>	<u>259,000</u>
	<u>304,000</u>	<u>259,000</u>

The Charity expects to contribute £8,000 to the defined benefit pension scheme over the next year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

21. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2017 £	2016 £
Defined benefit obligation	(351,000)	(296,000)
Scheme assets	304,000	259,000
Deficit	<u>(47,000)</u>	<u>(37,000)</u>

22. OPERATING LEASE COMMITMENTS

At 31 March 2017 the total of the Group's and Charity's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	<u>6,825</u>	<u>18,200</u>

23. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2016 - £nil).