

COMPANY REGISTRATION NUMBER: 10294887
CHARITY REGISTRATION NUMBER: 1168807

Age Concern Tyneside South
Company Limited by Guarantee
Unaudited Financial Statements
31 August 2020



STEPHENSON COATES AUDIT LIMITED

Chartered accountants
West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

Age Concern Tyneside South

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2020

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Age Concern Tyneside South

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

Chair's report

I am pleased to present to you our annual accounts, my third as Chair since my appointment from Vice-Chair in April 2018. I would like to take this opportunity to thank my fellow Trustees and express my gratitude for their support and collaborative work commitment. I would also like to place on record my appreciation for all the work our staff and volunteers do; their commitment is second to none and without them, Age Concern Tyneside South would not be able to offer the incredible services that they do, this has been doubly so during the Covid 19 pandemic.

It has been a challenging year for our organisation, to managing the constantly changing landscape within society and the changing needs of people during the pandemic, in particular, but thanks to the direction of the senior management team and trustees the organisation continues to "hold its own" with a positive forecast for the future.

The charity's financial position is outlined in this report. Our senior management team have had to wrestle with difficult decisions, but their energy and skills, with the dedication of the board have ensured we have sound governance and we continue to deliver outstanding value for money and a service that is fit for purpose that reflects the charities values.

We have a much better understanding of the local position now and this will aid in progressing our strategic objective of making South Tyneside the most age friendly borough in the country. We won't be able to do this alone and we will be forging strong links with the community, our statutory and charity partners over the next three years to deliver our goal.

Finally, I would like to take this opportunity on behalf of the Board to express to all our partners and stakeholders who contribute to the work of the charity. Without you we would not be as dynamic, flexible and responsive as we have been over the past unprecedented year and you all, collectively and individually, ensure we maintain our values as we provide the services required to enhance the lives of all who use our services.

Best Wishes



Steven Duckworth
Chair

Age Concern Tyneside South

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Reference and administrative details

Registered charity name	Age Concern Tyneside South
Charity registration number	1168807
Company registration number	10294887
Principal office and registered office	29 Beach Road South Shields NE33 2QU England
The trustees	S Duckworth R Staward H Tranter (Resigned 1 September 2020) I Ward R Gillies J Puech (Appointed 7 November 2020) A Trollope N Kaier (Appointed 1 September 2020)
Accountants	Stephenson Coates Audit Limited Chartered Accountants West 2, Asama Court Newcastle Business Park Newcastle upon Tyne NE4 7YD
Solicitor	Collingwood Legal 30 Riverside Studios Amethyst Road Newcastle Business Park Newcastle upon Tyne NE4 7YL
Bankers	Barclays Bank Fawcett Street Sunderland SR1 1RS

Age Concern Tyneside South

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Structure, governance and management

Governing documents

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to continue to contribute an amount not exceeding £1.

Recruitment, appointment and training new trustees

Charity trustees for the purpose of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected for three years.

All members of the Management Committee give their time voluntarily and receive no benefits from the charity.

The Management Committee meet on a bi-monthly basis and are responsible for the strategic direction and policy of the charity.

Policies for the induction and training of new trustees

Age Concern Tyneside South recognises that an effective board of trustees is essential if the charity is to be effective in achieving its objects. The board must seek to be representative of the people with whom the charity works and must have available to it, all of the knowledge and skills required to run the charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the charity's activities, to enable them to carry out their role and to represent the charity at meetings and other events.

The CEO and Chair of Trustees are responsible for the ensuring that the induction process is arranged and completed.

A training programme is in place to ensure that any newly appointed trustee will receive training on all matters necessary to enable them to perform their duties effectively. This will be tailored to their specific needs but, unless the appointee is already sufficiently experienced, should cover as a minimum:- governance and management; equal opportunities; a thorough induction to the history and current activities of the organisation; sufficient explanation of the charities financial accounts and reporting procedures to enable them to exercise fiscal oversight.

Explanation of all charity policies includes those relating to trustee expenses and how they can be claimed. If a new trustee is to take on any specific duties, all needs in relation to this will be assessed. It is acknowledged that trustees have a wide range of other commitments and every effort will be made to make this training accessible to the individual by arranging it to be conducted at times convenient to them.

Organisational structure and decision making

A line management system is in place with day-to-day responsibility for the management of the organisation resting with the Chief Executive. The Chief Executive is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. Day-to-day operation management is headed by individual team members using the reporting structures and line management to finally report to the Chief Executive and Trustees.

Age Concern Tyneside South

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Pay policy for senior staff

The Chief Executive implements the pay policy on an ongoing basis and is responsible for pay review and setting salaries for senior staff. The Board reviews the Chief Executive's salary annually and is responsible for making any decisions about remuneration of the Chief Executive.

Employment policies

The charity operates a number of key employment policies including Equality and Diversity and Health and Safety.

Risk management

The systems of internal control are designed to provide reasonable assurance against material misstatement or loss. Internal control processes implemented by the Trustees include:

- Board scrutiny of the risk register.
- A strategic plan and annual budget approved by the trustees.
- Regular consideration by Trustees of the financial results, variances from budget, forecasts and performance indicators.
- Delegation of authority and segregation of duties.
- Identification of risk and statutory compliance issues including safeguarding.

Trustees have in place a formal risk management framework and policy to assess risk and implement management strategies. A risk register is in place which is scrutinised weekly by the senior management team. This process reports to the board on a quarterly basis reporting exception.

The process identifies the types of risk the charity faces, prioritises them in terms of the likelihood of occurrence and potential impact, and identifies the means of mitigating these risks.

Investment Policy

The Articles of Association state that in the furtherance of Age Concern Tyneside South's objectives the charity shall have the power to invest monies not immediately required of its purpose.

As of August 2020, no investments were held.

Principal funding sources

- South Tyneside Council
- South Tyneside Clinical Commissioning Group
- Big Lottery - Reaching Communities
- Community Foundation
- Kellet Fund
- UK Online IT Training

Reserves Policy

As a minimum ACTS will aim to hold in reserve enough money to cover its known financial commitments (e.g. rental of office space, rental of equipment such as photocopiers), the core functions of the organisation (i.e. those functions not directed related to service delivery) for 3 months and enough money to cover its redundancy commitments to employees.

Age Concern Tyneside South

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Public Benefit

The aims of our services, for older people continue to be ageing well, reducing social isolation, maximising income, advocacy, enabling and promoting physical health and wellbeing.

The trustees are satisfied that in accordance with the Charity Commission guidelines, Age Concern Tyneside South meet the public benefit requirements. The trustees have regard to this guidance when exercising any powers or duties to which the guidance is relevant.

Achievements and performance

1. Sustaining and Growing

The aim is to diversify our income streams, to include charitable trust grants, statutory sector contracts, services we make a charge for, developing community fundraising and developing a range of paid for services; this has been more difficult due to the pandemic, but remains a key objective.

- We retained our Local Authority contracts for FY 2020-21. We have continued to successfully deliver our services as funded by charitable trusts.
- We increased our Clinical Commissioning Group Contract in FY 2020-21 based on our staff's excellent delivery
- We aim to develop a more commercial approach alongside our charitable service delivery.
- We continue to meet the challenges posed by social isolation and loneliness, with innovative person centred co-designed programmes and interventions; these were essential.

2. Innovating and improving

- We have implemented a project to integrate paid services impact and charitable objectives.
- We successfully maintained Age Concern Tyneside South in its 4th year, with increased income
- We have continued to refine the holistic engagement with staff, volunteers and various groups of service users.
- We have increased the number and quality of grant applications to meet locally identified people's need; these will have a positive impact going forward.

3. Delivering a range of high quality person centred services and social enterprises

The aims of our services for older people continue to be reducing social isolation, maximising income, enabling independent living and promoting health and emotional wellbeing.

- Our Information and Advice service provided 27,585 contacts to help 6,244 older people with queries or casework in benefits, housing care and local services, including 3,842 additional awards of benefits, grants and entitlements totalling £3.4 million for local people spent locally often within the South Tyneside economy.
- We provided 3,800+ social opportunities during the period through our community-based provision. These services offer a variety of activities that tackle social isolation and loneliness to improve the wellbeing of the service users.
- Our exercise classes, leisure and learning activity groups were attended over 3,100 times, supporting people to remain physically active to improve their health long term.
- We provided advocacy support hours of 8,450 during the year.
- Our Integrated Service and additional Winter Pressures increased to provide 36,352 contacts to help 10,242 people. We provided 2,128 fall prevention home assessments and installed 3,144 aids and adaptations as well as removing 205 hazards in homes of older people in the borough. We also supported 2,574 people upon discharge from hospital, completing 6,245 activity visits to specifically prevent an admission/re-admission to hospital.
- 293 volunteers supported our organisation providing over 11,500 added value hours, the equivalent of 6.3 full time members of staff @ 35 hours per week.

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Year ended 31 August 2020

- We delivered over 600 Christmas hampers which was funded by the Barbour Foundation and added to by other donations e.g. (Ringtons, Groundwork EE, Sky ...).
- We provided transport and support to over 125 people to attend Hospital Appointments during lockdowns.
- We shopped for over 400 older people a week during the pandemic.

4. Involving influencing and promoting social inclusion:

- We continue to work with wider stakeholders including the Clinical Commissioning Group (CCG), Local Authority, Public Health and key partners in the Voluntary and Community sector.
- We provide a consultation platform utilised by the Local Government and CCG in obtaining the views of older people in the borough.
- We have actively contributed to the main engagement mechanisms established by the Statutory Sector - at which we are able to influence local policy and decision making.
- We have become Part of a Partnership with Sight and Hearing Service, Tyne and Wear Museums, Cultural Spring Mental Health Concern and Your Voice Counts working in a place-based way around building community resilience. This has applied for funding but is still waiting for a successful application.
- We have also been fully involved with Charitable sectors initial conversations and steps towards working differently in an alliancing way.
- We have provided free space to a local Adult ADHD group so they could meet.
- We have provided free space to a volunteer START group to help them meet with recovering alcoholics.

Financial review

Income of £802,571 has been generated during the period; this includes over £85,000 income from paid for services.

The statement of financial activities shows an overall surplus of £2,245.

The organisation is continuing to establish itself in its fourth year as a new charity within the Borough of South Tyneside. Taking into account the challenges faced by all new charities accessing funding streams, alongside the Global Pandemic brought about from the Covid-19 virus, the organisation has had a good year. The contracts with Statutory Partners have been increased and this assisted in the reduction in the projected mid-year deficit.

A continuing cost reduction programme is now in place for the financial year 2021-22 across the whole organisation, with a regular review of Senior Management Team costs. The organisation is also starting to achieve new grant income.

Age Concern Tyneside South

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Plans for future periods

Our strategic aims:

1. Sustaining and Growing

We will continue to engage with older people so we can develop a diverse range of funding streams:

- Research and develop new sources of income which includes paid for services.
- Engage proactively with public sector commissioning bodies, ensuring our work is aligned to their own strategic priorities.
- Become the provider of choice for people with a direct/personal budget and those who pay for their own social care.
- Improve our use of market analysis in service development.
- Work more collaboratively with partnership bids, aiming for this to be a larger share of our overall number of grant applications.

2. Innovating and Improving

- Ensure all services are people centred (what matters to you).
- All our service provision is equitable.
- Build and maintain 1st class performance by engaging our staff and volunteers in our strategy and values.
- Retain ISO:9001 Quality Standard.
- Obtain additional Quality Standards as we are in a position to do so
- Continue to improve our external communication and profile.
- Continue to achieve cost efficiencies across all areas to maximise the impact of limited resources.
- Improve our use of outcomes evaluation methods to better demonstrate our social, health and financial outcomes and impacts.

3. Delivering a range of high quality person centred services and social enterprises

- Focus on reducing social isolation, maximising income, enabling independent living and promoting physical health and emotional wellbeing.
- Position ourselves in the market as One Stop Shop/Wellness Hub for Older People's community-based services.
- Create a bespoke, person centred package of support which can be tailored to the needs and circumstances of individuals.
- Develop partnerships with organisations who share our vision and values.
- Expand dementia provision.

4. Involving, influencing and promoting social inclusion

- Involve and engage with older people, our staff, volunteers and other stakeholders, using the intelligence gathered to develop our own services and social enterprises as well as influencing and lobbying for change and improvement in the lives of older people in our community.
- Ensure we are accessible and inclusive and that communities that experience discrimination are actively included in our work.
- To work in a more place-based locality focused way.

Age Concern Tyneside South

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 August 2020

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 25 June 2021 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line and a small loop at the end.

S Duckworth
Trustee

Age Concern Tyneside South

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Age Concern Tyneside South

Year ended 31 August 2020

I report to the trustees on my examination of the financial statements of Age Concern Tyneside South ('the charity') for the year ended 31 August 2020, which are set out on pages 11 to 26.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



John Oswald BA FCA
Stephenson Coates Audit Limited
Chartered Accountants

West 2, Asama Court
Newcastle Business Park
Newcastle upon Tyne
NE4 7YD

25 June 2021

Age Concern Tyneside South

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

31 August 2020

			2020		2019
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	150,591	185,816	336,407	293,644
Charitable activities	6	388,175	—	388,175	423,366
Other trading activities	7	34,037	570	34,607	45,133
Investment income	8	192	—	192	205
Other income	9	43,190	—	43,190	7,815
Total income		<u>616,185</u>	<u>186,386</u>	<u>802,571</u>	<u>770,163</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	10	690	—	690	3,962
Expenditure on charitable activities	11,12	574,493	225,142	799,636	750,709
Total expenditure		<u>575,183</u>	<u>225,142</u>	<u>800,326</u>	<u>754,671</u>
Net income and net movement in funds		<u>41,002</u>	<u>(38,756)</u>	<u>2,245</u>	<u>15,492</u>
Reconciliation of funds					
Total funds brought forward		373,096	62,024	435,120	419,628
Total funds carried forward		<u>414,098</u>	<u>23,268</u>	<u>437,366</u>	<u>435,121</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 26 form part of these financial statements.

Age Concern Tyneside South

Company Limited by Guarantee

Statement of Financial Position

31 August 2020

		2020 £	2019 £
Fixed assets			
Tangible fixed assets	17	578,210	594,839
Investments	18	<u>2</u>	<u>2</u>
		578,212	594,841
Current assets			
Debtors	19	81,601	21,238
Cash at bank and in hand		<u>250,527</u>	<u>261,371</u>
		332,128	282,609
Creditors: amounts falling due within one year	20	<u>280,577</u>	<u>234,939</u>
Net current assets		<u>51,551</u>	<u>47,670</u>
Total assets less current liabilities		629,763	642,511
Creditors: amounts falling due after more than one year	21	<u>192,398</u>	<u>207,391</u>
Net assets		<u><u>437,365</u></u>	<u><u>435,120</u></u>
Funds of the charity			
Restricted funds		23,268	62,024
Unrestricted funds		<u>414,098</u>	<u>373,097</u>
Total charity funds	23	<u><u>437,366</u></u>	<u><u>435,121</u></u>

For the year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 25 June 2021, and are signed on behalf of the board by:



S Duckworth
Trustee

The notes on pages 14 to 26 form part of these financial statements.

Age Concern Tyneside South

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 August 2020

	2020 £	2019 £
Cash flows from operating activities		
Net income	2,245	15,492
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	16,834	17,676
Other interest receivable and similar income	(192)	(205)
Interest payable and similar charges	8,460	9,318
Accrued expenses	1,086	18,448
<i>Changes in:</i>		
Trade and other debtors	(60,363)	(12,969)
Trade and other creditors	43,695	11,793
Cash generated from operations	11,765	59,553
Interest received	192	205
Net cash from operating activities	<u>11,957</u>	<u>59,758</u>
Cash flows from investing activities		
Purchase of tangible assets	(205)	(750)
Net cash used in investing activities	<u>(205)</u>	<u>(750)</u>
Cash flows from financing activities		
Repayments of borrowings	(22,596)	(22,346)
Net cash used in financing activities	<u>(22,596)</u>	<u>(22,346)</u>
Net (decrease)/increase in cash and cash equivalents	(10,844)	36,662
Cash and cash equivalents at beginning of year	261,371	224,709
Cash and cash equivalents at end of year	<u>250,527</u>	<u>261,371</u>

The notes on pages 14 to 26 form part of these financial statements.

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2020

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 29 Beach Road, South Shields, NE33 2QU, England.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The directors of the charitable company are satisfied that there are no material uncertainties concerning the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the financial statements continue to be prepared on the going concern basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with reasonable certainty. Income received to deliver services over a specific period covering more than one financial year is accounted for over the specific period; related expenditure is accounted when incurred.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income relates to interest earned through holding assets on deposit.

Fixed asset gifts in kind are recognised when receivable and included at fair value. They are not deferred over the life of the asset.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given to the Trustees' Annual Report.

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fixtures and fittings	- 15% reducing balance
Motor vehicles	- 25% reducing balance

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Age Concern Tyneside South

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Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Age Concern Tyneside South Limited is a company limited by guarantee, registered in England and Wales, (number 10294887) and not having a share capital. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	66,548	–	66,548
Legacies			
Legacies	–	–	–
Grants			
Money Advice Funding	–	–	–
Big Lottery - Reaching Communities	–	81,461	81,461
South Tyneside CCG	18,950	–	18,950
Frailty & Rockwood Engagement	–	13,450	13,450
NHS South Tyneside	5,000	–	5,000
The Good Things Foundations	23,021	–	23,021
Guys & St Thomas NHS Foundation	–	6,400	6,400
Community Foundation Tyne & Wear and Northumberland	19,372	34,125	53,497
Big Lottery - Awards for All	–	34,725	34,725
The Clothworkers Foundation	15,000	–	15,000
Bernica Foundation	–	8,179	8,179
The Energy Saving Foundation	–	4,476	4,476
Other	2,700	3,000	5,700
Gateshead Council	–	–	–
Vera Baird Victim Support	–	–	–
	<u>150,591</u>	<u>185,816</u>	<u>336,407</u>

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	70,094	—	70,094
Legacies			
Legacies	200	—	200
Grants			
Money Advice Funding	—	14,216	14,216
Big Lottery - Reaching Communities	—	102,589	102,589
South Tyneside CCG	11,158	—	11,158
Frailty & Rockwood Engagement	—	—	—
NHS South Tyneside	—	—	—
The Good Things Foundations	14,689	—	14,689
Guys & St Thomas NHS Foundation	—	—	—
Community Foundation Tyne & Wear and Northumberland	—	29,200	29,200
Big Lottery - Awards for All	—	10,000	10,000
The Clothworkers Foundation	—	—	—
Bernica Foundation	—	—	—
The Energy Saving Foundation	—	—	—
Other	17,250	6,000	23,250
Gateshead Council	—	10,496	10,496
Vera Baird Victim Support	—	7,752	7,752
	<u>113,391</u>	<u>180,253</u>	<u>293,644</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
South Tyneside MBC	256,865	256,865	249,999	249,999
Gateshead CCG	45,315	45,315	77,683	77,683
Home Support	85,995	85,995	95,684	95,684
	<u>388,175</u>	<u>388,175</u>	<u>423,366</u>	<u>423,366</u>

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

7. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Fundraising events	910	–	910
Rental income & room hire	29,906	(180)	29,726
Reception income	3,221	750	3,971
	<u>34,037</u>	<u>570</u>	<u>34,607</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Fundraising events	3,833	–	3,833
Rental income & room hire	32,503	(120)	32,383
Reception income	8,767	150	8,917
	<u>45,103</u>	<u>30</u>	<u>45,133</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest receivable	<u>192</u>	<u>192</u>	<u>205</u>	<u>205</u>

9. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Other income	<u>43,190</u>	<u>43,190</u>	<u>7,815</u>	<u>7,815</u>

10. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Costs of raising funds	<u>690</u>	<u>690</u>	<u>3,962</u>	<u>3,962</u>

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

11. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Direct costs	3,384	413	3,797
Advertising	—	—	—
Premises costs	8,429	4,507	12,936
Office costs	28,733	12,431	41,164
Travel costs	12,827	2,212	15,039
Motor running expenses	20,283	—	20,283
Other costs	3,210	1,374	4,583
Bank charges and interest	(101)	—	(101)
Staff costs	361,229	138,774	500,004
Legal and professional costs	2,802	10,119	12,920
Support costs	133,697	55,312	189,011
	<u>574,493</u>	<u>225,142</u>	<u>799,636</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Direct costs	2,573	721	3,294
Advertising	514	353	867
Premises costs	8,469	3,249	11,718
Office costs	27,850	11,278	39,128
Travel costs	17,179	2,449	19,628
Motor running expenses	21,233	—	21,233
Other costs	8,882	3,857	12,739
Bank charges and interest	368	130	498
Staff costs	346,751	118,340	465,090
Legal and professional costs	9,822	4,370	14,192
Support costs	106,178	56,142	162,322
	<u>549,819</u>	<u>200,889</u>	<u>750,709</u>

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

12. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2020 £	Total fund 2019 £
Direct costs	3,797	–	3,797	3,294
Advertising	–	2,316	2,316	933
Premises costs	12,936	2,274	15,210	13,803
Office costs	41,164	31,551	72,715	58,606
Travel costs	15,039	2,448	17,487	24,928
Motor running expenses	20,283	206	20,489	21,677
Other costs	4,583	9,283	13,866	21,212
Bank charges and interest	(101)	9,174	9,073	11,755
Staff costs	500,004	111,161	611,165	559,838
Legal and professional costs	12,920	3,764	16,684	16,987
Depreciation	–	16,834	16,834	17,676
	<u>610,625</u>	<u>189,011</u>	<u>799,636</u>	<u>750,709</u>

13. Net income

Net income is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>16,833</u>	<u>17,676</u>

14. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,440</u>	<u>1,440</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	574,020	526,811
Social security costs	29,098	28,906
Employer contributions to pension plans	7,536	3,351
	<u>610,654</u>	<u>559,068</u>

The average head count of employees during the year was 42 (2019: 42).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

16. Trustee remuneration and expenses

The charity trustees were not paid or received any other benefits from employment in the year neither were they reimbursed expenses during the year. No charity trustees received payment for professional or other services supplied to the charity.

17. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 September 2019	599,000	54,576	750	654,326
Additions	—	204	—	204
At 31 August 2020	<u>599,000</u>	<u>54,780</u>	<u>750</u>	<u>654,530</u>
Depreciation				
At 1 September 2019	35,940	23,359	188	59,487
Charge for the year	11,980	4,713	140	16,833
At 31 August 2020	<u>47,920</u>	<u>28,072</u>	<u>328</u>	<u>76,320</u>
Carrying amount				
At 31 August 2020	<u>551,080</u>	<u>26,708</u>	<u>422</u>	<u>578,210</u>
At 31 August 2019	<u>563,060</u>	<u>31,217</u>	<u>562</u>	<u>594,839</u>

18. Investments

	Shares in group undertakings £
Cost or valuation	
At 1 September 2019 and 31 August 2020	<u>2</u>
Impairment	
At 1 September 2019 and 31 August 2020	<u>—</u>
Carrying amount	
At 31 August 2020	<u>2</u>
At 31 August 2019	<u>2</u>

All investments shown above are held at valuation.

The charitable company owns two £1 ordinary shares, 100% of the voting capital of Age Concern Tyneside South Trading Limited, a company incorporated and registered in England and Wales. The principal activity of the company is the provision of a home care service. From 1 September 2017 this trade transferred to Age Concern Tyneside South. Age Concern Tyneside South Trading Limited was dormant in the year ended 31 August 2020.

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

19. Debtors

	2020 £	2019 £
Trade debtors	76,089	19,660
Other debtors and prepayments	5,512	1,578
	<u>81,601</u>	<u>21,238</u>

20. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	14,135	13,277
Trade creditors	1,374	11,505
Social security and other taxes	68,421	16,350
Other creditors	196,647	193,807
	<u>280,577</u>	<u>234,939</u>

21. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	<u>192,398</u>	<u>207,391</u>

22. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £7,536 (2019: £3,351).

23. Analysis of charitable funds

Unrestricted funds

	At 1 September 2019 £	Income £	Expenditure £	At 31 August 2020 £
General funds	<u>373,096</u>	<u>616,185</u>	<u>(575,183)</u>	<u>414,098</u>

Age Concern Tyneside South

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

23. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 September 2019 £	Income £	Expenditure £	At 31 August 2020 £
Big Lottery - Reaching Communities	47,899	82,211	(130,111)	(1)
Heritage Lottery Fund	8,207	—	(3)	8,204
Community Foundation	1,372	33,945	(34,527)	790
Charities Aid Foundation	8,036	—	(8,036)	—
Vera Baird Victim Support	1	—	(1)	—
Other	—	3,000	(12)	2,988
Big Lottery Partnership	(3,491)	34,725	(23,397)	7,837
Frailty & Rockwood Engagement	—	13,450	(10,000)	3,450
The Energy Saving Foundation	—	4,476	(4,476)	—
Guys & St Thomas NHS Foundation	—	6,400	(6,400)	—
Bernica Foundation	—	8,179	(8,179)	—
	<u>62,024</u>	<u>186,386</u>	<u>(225,142)</u>	<u>23,268</u>

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Tangible fixed assets	578,212	—	578,212	594,841
Current assets	308,860	23,268	332,128	282,609
Creditors less than 1 year	(280,577)	—	(280,577)	(234,939)
Creditors greater than 1 year	(192,398)	—	(192,398)	(207,391)
Net assets	<u>414,097</u>	<u>23,268</u>	<u>437,365</u>	<u>435,120</u>