

**Company Number: 07428157**

**Charity Number: 1139928**

**Age UK Selby District**

**(A company Limited by Guarantee)**

**Trustees' Annual Report and Financial Statements**

**for the year ended 31 March 2020**

# Age UK Selby District

## General Information

### Trustees

R H Drew	(Vice Chair)
R E Sayner	(Chair)
J Thurlow	
C Shepherd	
P Watson	
S Morgan	(Appointed 22 October 2019)
L Walker	(Appointed 22 October 2019)

### Secretary

J Mook

### Registered Company number

07428157

### Registered Charity number

1139928

### Registered Office

50 Micklegate  
Selby  
YO8 4EQ

### Independent Examiner

Laura Masheder FCA DChA  
Garbutt & Elliott LLP  
Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

### Bankers

Yorkshire Bank  
16 Market Street  
Selby  
YO8 0NU

CAF Cash Limited  
Kings Hill  
West Malling  
Kent  
M19 4TA

Santander  
15 Gowthorpe  
Selby  
YO8 4HE

NatWest  
1<sup>st</sup> Floor  
1 Humber Quays  
Wellington Street West  
Hull  
HU1 2BN

# Age UK Selby District

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# Age UK Selby District

## Report of the Trustees for the year ended 31 March 2020

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, submit their report and independently examined financial statements for the year ended 31 March 2020 and confirm they comply with current statutory requirements.

These 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 (FRS102) (effective 1 January 2019) as detailed in the accounting policies.

### Structure, governance and management

Age UK Selby District is a company limited by guarantee (company number: 07428157) incorporated on 3 November 2010 and a charity established by Constitution and registered with the Charity Commission (charity number: 1139928). The charitable company commenced activities on 1 April 2011.

### Charitable Objectives

The aim and objective of the Charity is to promote the welfare of frail older people, together with their families and carers, within Selby and the surrounding district.

### Reference and Administrative Details

#### Trustees

The following Trustees have held office since 1 April 2019:

R H Drew (Vice Chair)  
R E Sayner (Chair)  
J Thurlow  
C Shepherd

P Watson  
L Walker  
S Morgan

These Trustees constitute Directors of the Charitable Company for the purposes of the Companies Act 2006. None of the Trustees had an interest in any of the Charity's contracts either during or at the end of the financial year.

#### Registered Office

50 Micklegate  
Selby  
YO8 4EQ

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Wellington Street West  
Hull  
HU1 2BN

Santander  
15 Gowthorpe  
Selby  
YO8 4HE

# Age UK Selby District

## Report of the Trustees for the year ended 31 March 2020 (Contd)

### Reserves Policy

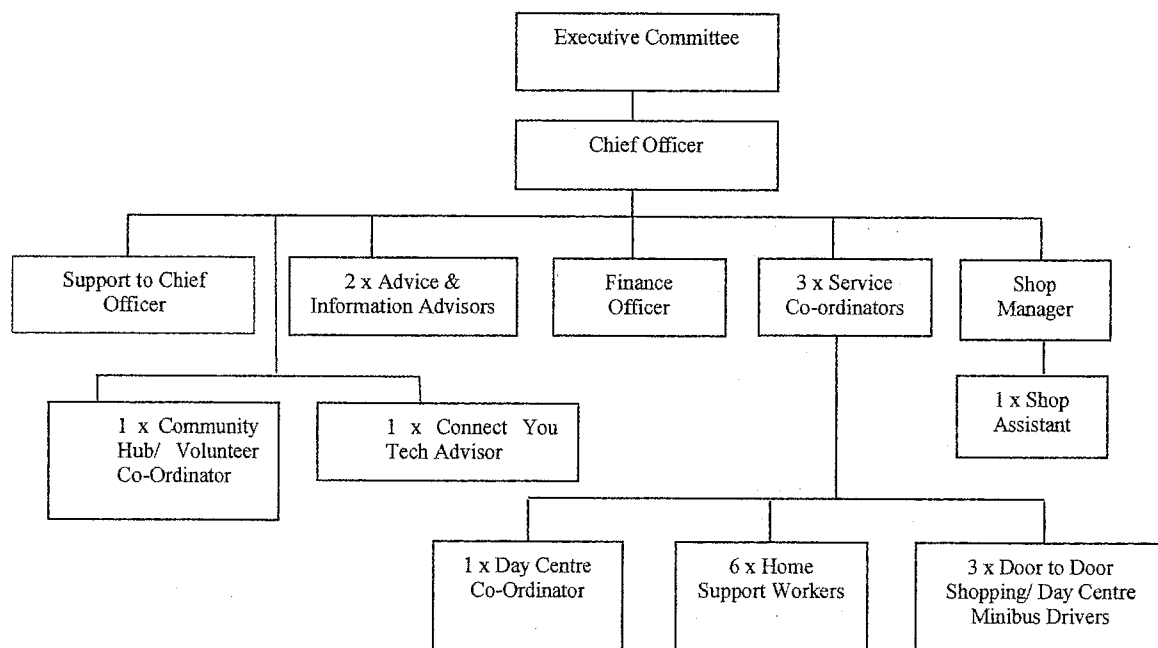
The 50 Micklegate, Selby fund is made up of that part of original purchase price shown in Restricted Funds as Community Fund (£125,000) with the £87,000 shown in Designated Funds being the additional costs of purchasing the building and the revaluation reserve required to recognize the value of the property (£212,000) at the time of transfer to the new Company Structure.

The 53 Micklegate, Selby fund represents that part of the purchase price of the building, used as a tearoom and described as an investment property, which was paid for out of accumulated funds (£90,000).

The Information and Advice fund has been closed with the year end balance of £22,757 being transferred back to the General Fund as this valuable activity now forms part of the NYCC contract.

Overall the organisation's free reserves of £174,465 consists of the unspent accumulated profit from the charity shop. This sum represents over 6 months normal running costs, which is in line with the Charity Commission recommended level of free reserves.

### Organisational Structure



All the above Services are supported by Age UK Selby District Volunteers.

# **Age UK Selby District**

## **Report of the Trustees for the year ended 31 March 2020 (Contd)**

### **Trustees**

All Trustees are required to retire at the Charity's annual general meeting but being eligible, those who wish to can offer themselves for re-election. New Trustees are either elected at the annual general meeting or appointed by the Board for the period to the next annual general meeting.

### **Review of Activities**

A significant step in the development of the organisation was taken several years ago by acquiring the building at 53 Micklegate using £90,000 of accumulated funds as well as a mortgage of £100,000, to relocate the tearoom from the rented building in Ousegate which suffered from a poor footfall. It is pleasing to report that this has resulted in a significant increase in business though the Covid-19 "lock down" towards the end of March depressed the level of receipts. An increasing reliance on paid staff resulted in a loss of £4,000 compared with a profit of £5,000 the previous year.

### **Core Activities**

Each year, we continue to see the organisation grow in terms of requests for service provision and general office enquiries for advice and information. It is a well-known fact that older people are living longer and need more support to enable them to live a comfortable and independent lifestyle. Core-funding is still an issue with our funders, who are reluctant to financially support this area of our work, without creating new innovative services.

### **External Partnership**

Age UK Selby District works with many other voluntary and statutory organisations to promote the welfare of older people living locally. With the award of the NYCC contract on a locality basis it was recognised that the REACT Cooperative was no longer required so steps were taken to dissolve the organisation. However the value of working with our sister Age UK organisations in North Yorkshire, and lessons learnt, should not be forgotten in the future.

### **Advice and Information**

The two fully trained staff members continue to raise over £1million for elderly clients from advice and information which boosts spending in the local economy. Partial funding by NYCC and use of Age UK Brand Partnership grant has put activity on a firmer financial footing. Advice to elderly clients on how to use computers and other devices, particularly to communicate with relatives, friends and service providers, is offered by one of the advisers under the separate activity of Connecting You. This is an area of work where small grants are being found from numerous sources to help fund this innovative and much needed service.

### **Rural Social Centres**

The two day centres run at Drax Power Station Sports and Social Club continue to be well supported. It was decided to cease running the Selby centre during the year.

### **Door-to-Door Shopping Trips**

Using our two minibuses, a mixture of paid and voluntary drivers collect and escort older people from their homes and take them to the supermarket and then take them home and assist in carrying their shopping to their door. We now operate six separate services including four from the rural areas. Often older people cannot access the bus services or carry their shopping. For some elderly people this outing is the only one that they will have all week. Partial support from NYCC as part of the day activities funding has enabled these services to be put on a firmer financial footing.

# **Age UK Selby District**

## **Report of the Trustees for the year ended 31 March 2020 (Contd)**

### **Home Support**

This expanding Social Enterprise activity is meeting a need not previously recognised in Selby District. There has been a reduction in workload during then year as lost clients have not been fully replaced such that only six staff were employed for much of the year. Though much of the work relates to cleaning, shopping is also undertaken for the housebound while a dog walking service is also offered.

A regular exercise is carried out in order to ensure that the hourly rate that staff are being paid is in excess of the minimum wage when taking into account travelling time. As new clients come forward work rotas are adjusted to ensure that travelling time is kept to a minimum.

### **Telephone Befriending**

While this activity did cease it was reintroduced from the time of the Covid-19 "lock down" to keep in touch with clients, as supported by NYCC.

### **Wheelchair Loan**

These are loaned out on a short-term basis to assist older people to have days out and holidays.

### **Financial Review**

Overall, net current assets reduced by £32,368 to £155,776 of which cash accounted for £153,303.

Overall income reduced from £301,403 to £238,766. Income from contracts (£48,801) and grants (£36,602) account for 36% of the total while service users, including the growing social enterprise work, now contribute income of £82,186 which is 34% of the total. Income from the charity shop takings was to £53,696 which accounts for 22% of total income.

Excluding depreciation of £26,150, expenditure for the year was £267,384. Staff cost (£196,860) now account for 74% of the cash expenditure. The amount of cash now equates to 28% of the balance sheet value, down from 30% the previous year.

The charity shop continued to trade however takings fell by 14% to £39,175. With costs increasing by 39% to £40,715 this resulted in a net loss of £1,540 (2019 net profit of £16,228).

The unrestricted reserves of £176,534 represents over 6 months expenditure of the organisation including the charity shop. This is in line with the target that is recommended by the Charity Commission.

### **Pay policy for senior staff**

The pay of the Senior Management Team is reviewed annually and is normally increased in line with inflation and comparable roles within the sector.

### **Fundraising**

Our general approach is to raise funds ourselves and not to use third parties. We use techniques that are ethical, legal, do not inconvenience the public, and are not detrimental to our good name or standing in the local community. We do not use general solicitation techniques by telephone or door-to-door, and all fundraising activities undertaken follow the Fundraising Regulators Code of Fundraising Practice. We have received no complaints about fundraising during the year.

### **Risk Management**

Internal controls for the handling of cash receipts, in the charity shop and the office (for service user contributions and home support payments) along with the processing of timesheets and expenses claims for payroll costs, were reviewed and the systems were found to be working well.

Age UK Selby District, knowing that its substantial contract with NYCC – which has been awarded but at a reduced contract price – was up for review, set off on a path of reducing its reliance on public finance. This has been done by introducing its home support service and latterly its tearoom to generate income from users and customers. These measures are proving successful.

Insurances are reviewed annually for both of the buildings and the two minibuses. Health and Safety reviews are carried out annually for all activities that are operated by the organisation's staff who are encouraged to attend training sessions on matters such as moving and handling, food hygiene and first aid.

# **Age UK Selby District**

## **Report of the Trustees for the year ended 31 March 2020 (Contd)**

### **Risk Management (cont..)**

It was agreed that the experienced firm of consultants, Acton Jennings, continues to be used to review and update our Health and Safety policies and procedures, which were found to be very good and comprehensive. They have produced staff handbooks and given us advice on all staff matters related to employment issues to ensure we meet current legislation requirements.

The Trustees believe that the organisation is a safe and secure place to work but acknowledge that there is no room for complacency and that vigilance must be the watch word.



# Age UK Selby District

## Report of the Trustees for the year ended 31 March 2020 (Contd)


### Statement of Trustees Responsibilities


The Trustees (who are also directors of Age UK Selby District 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 which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure including of the charitable group for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

This report was approved by the Trustees on .....  ..... and signed on its behalf by:

  
R Sayner  
Chair

30/10/2020

# Age UK Selby District

## Independent Examiner's report to the Trustees of Age UK Selby District

I report to the charity Trustees on my examination of the accounts of the Charitable Company for the year ended 31 March 2020.

This report is made solely to the Charity's Trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My independent examination work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my independent examination work, for this report, or for the opinions I have formed.

### Responsibilities and basis of report

As the charity's Trustees (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable 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 your 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

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

1. Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. The accounts 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 accounts 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.



Laura Masheder FCA DChA

**Garbutt & Elliott LLP**  
Chartered Accountants

10 November 2020

Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

**Age UK Selby District**  
**Statement of Financial Activities (including Income and Expenditure Account)**  
**for the year ended 31 March 2020**

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Designated Funds £	2020 Total Funds £	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Designated Funds £	2019 Total Funds £
<b>Income from:</b>								
<b><u>Grants and donations</u></b>								
Donations	5,482	300	820	6,602	9,977	1,084	3,441	14,502
Grants	-	27,600	9,002	36,602	10,300	24,500	12,884	47,684
<b><u>Charitable activities</u></b>								
Contracts	-	36,801	12,000	48,801	2,873	49,385	17,500	69,758
Service users	316	78,370	3,500	82,186	278	102,548	-	102,826
<b><u>Other trading activities</u></b>								
Retail income – sale of donated goods	42,325	11,371	-	53,696	45,539	9,378	-	54,917
Fundraising activities	640	20	-	660	1,124	31	-	1,155
<b><u>Investments</u></b>								
Bank interest	62	-	-	62	8	-	-	8
Dividends	399	-	-	399	389	-	-	389
Rental income	8,390	-	-	8,390	8,117	-	-	8,117
<b><u>Other income</u></b>								
Sundry	493	875	-	1,368	832	1,215	-	2,047
<b>Total income</b>	<b>58,107</b>	<b>155,337</b>	<b>25,322</b>	<b>238,766</b>	<b>79,437</b>	<b>188,141</b>	<b>33,825</b>	<b>301,403</b>

# Age UK Selby District

## Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2020 (cont..)

	Notes	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Designated Funds £	2020 Total Funds £	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Designated Funds £	2019 Total Funds £
<b>Expenditure on:</b>									
<b><u>Raising funds</u></b>	4								
Retail expenditure		40,715	-	-	40,715	37,092	-	-	37,092
Fundraising expenditure		-	-	-	-	883	-	-	883
Rental expenditure		12,056	-	-	12,056	11,781	-	-	11,781
<b><u>Charitable activities</u></b>	5								
Mini day centres		-	40,463	-	40,463	-	39,228	-	39,228
Shopping services		-	23,084	-	23,084	-	22,219	-	22,219
Tea room		-	-	-	-	-	-	-	-
Community hub		-	15,162	-	15,162	-	4,107	-	4,107
Information and advice		-	-	32,565	32,565	-	-	29,554	29,554
Social enterprise		-	80,279	-	80,279	-	111,383	-	111,383
Connect you		-	23,726	-	23,726	-	20,660	-	20,660
Telephone befriending		-	-	-	-	-	1,682	-	1,682
Minibuses		-	25,484	-	25,484	-	20,445	-	20,445
<b>Total expenditure</b>		52,771	208,198	32,565	293,534	49,756	219,724	29,554	299,034
<b>Net income/(expenditure) before gains/(losses) on investments</b>		5,336	(52,861)	(7,243)	(54,768)	29,681	(31,583)	4,271	2,369
Loss on revaluation of investments		(575)	-	-	(575)	(7)	-	-	(7)
<b>Net income/(expenditure) before transfers</b>		4,761	(52,861)	(7,243)	(55,343)	29,674	(31,583)	4,271	2,362
Transfers between funds		2,227	20,530	(22,757)	-	279	28,992	(29,271)	-
<b>Net movement in funds for the year</b>		6,988	(32,331)	(30,000)	(55,343)	29,953	(2,591)	(25,000)	2,362
Total funds brought forward		169,546	229,678	207,000	606,224	139,593	232,269	232,000	603,862
<b>Total funds carried forward</b>		176,534	197,347	177,000	550,881	169,546	229,678	207,000	606,224

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 to 23 form part of these financial statements.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# Age UK Selby District

## Balance Sheet as at 31 March 2020

		2020		2019	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9		252,333		277,804
Investment property	10		224,981		224,981
Investments	11		6,594		7,169
<b>Current assets</b>					
Debtors	12	14,666		12,639	
Cash at bank and in hand		153,303		184,580	
		167,969		197,219	
<b>Creditors: amounts falling due within one year</b>	13	(12,193)		(9,075)	
<b>Net current assets</b>			155,776		188,144
<b>Total assets less current liabilities</b>			639,684		698,098
<b>Creditors: amounts falling due after one year</b>	14		(88,803)		(91,874)
<b>Total assets less total liabilities</b>			550,881		606,224
<b>Represented by:</b>					
Restricted funds	15		197,347		229,678
Designated funds	16		177,000		207,000
Unrestricted funds			176,534		169,546
			550,881		606,224

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year end of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 30/10/20 and signed on their behalf by:-

  
R Sayner  
Chair of Trustees

  
R H Drew  
Trustee

Company Registration Number: 07428157

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020

### 1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### 1.1 Charity information

The charity is a company limited by guarantee, and the liability of members is limited to £1 per member. The company is also a charity registered with the Charity Commission in England and the registered office is 50 Micklegate, Selby, YO8 4EQ.

#### 1.2 Accounting convention

The financial statements have been prepared on a going concern basis 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 (FRS102) (effective 1 January 2019) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), and the Companies Act 2006 and the Charities Act 2011.

Age UK Selby District meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### 1.3 Going Concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Whilst the global economy has been significantly impacted by the COVID-19 virus, the charity still has reserves sufficient to meet its immediate requirements. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Income

Income in the Statement of Financial Activities is recognised when the charity has entitlement to the funds, any performance conditions attaching to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from donated goods is recognised at the point of sale. As a result of the high volume and low value of goods donated to the charity, the cost of recognising these items at fair value on receipt would outweigh the benefit of recognising them in the accounts.

Grants, including grants for the purchase of fixed assets, are recognised in full in the SoFA in the period in which they are receivable.

#### 1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, finance, human resources, and information systems which support the services provided.

Direct expenses are allocated to the specific fund to which they relate and any supporting costs are allocated pro rata.

#### 1.6 Fund accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 1. Accounting policies (cont..)

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor, contractual arrangement, or when funds are raised for a particular restricted purpose.

#### 1.7 Staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

#### 1.8 Pension Costs

The charity operates a defined contribution scheme for the employees of the Charity. Contributions are charged as an expense to the Statement of Financial Activities in the period in which they fall due.

#### 1.9 Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

#### 1.10 Investments

Investments (other than investments in subsidiaries) are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

The investment portfolio is held to generate returns and gains for the group and accordingly is designated as fair value through profit and loss ("FVTPL"). Under this designation the portfolio is revalued at each period end to its fair value, as determined by reference to quoted market prices and values determined by independent fund managers, with any gains or losses going through the Statement of Financial Activities.

Investment properties which are properties held to earn rentals and/or for capital appreciation, are measured using the fair value model and are stated at their fair value at the reporting date. The surplus or deficit on revaluation is recognised in the SOFA.

Investments in subsidiaries are stated at cost and the Trustees review the carrying value annually for indications of impairment.

Current asset investments relate to cash held on deposit in fixed interest fixed maturity deposit accounts.

#### 1.11 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation, other than where assets were donated from the unincorporated charity when they were recognised at fair value. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	-
Minibus	25% Straight line
Equipment	33% Straight line

No depreciation is provided on freehold land and buildings as their residual value is considered to approximate or exceed cost so that any depreciation charge would be trivial.

#### 1.12 Stock

It is impractical to estimate the fair value of goods donated for sale in the charity's shops due to the high volume of these items and to include it on the balance sheet. The value of these goods to the charity is instead recognised when they are sold.

#### 1.13 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 1. Accounting policies (cont..)

#### 1.14 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

#### 1.15 Debtors

Prepayments and accrued income represent time apportioned expenses or income to be recognised in a future accounting period.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

#### 1.16 Creditors, loans and provisions

Creditors, loans and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are derecognised when, and only when, obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

### 2. Taxation

Age UK Selby District is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, Age UK Selby District is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

### 3. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

#### *Residual values of freehold property*

The charity owns a freehold property which is not depreciated. The residual value is estimated based on the current market value of the property assuming it is already of the age and condition expected at the end of its useful life, hence no depreciation is provided on freehold land and buildings as the residual value is considered to approximate or exceed cost so that any depreciation charge would be trivial.



# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 4. Expenditure on raising funds

For the year ended 31 March 2020	Salaries £	Support costs £	Depreciation £	Total funds 2020 £
Retail expenditure	31,600	8,560	555	40,715
Rental expenditure	2,724	9,332	-	12,056
Fundraising expenditure	-	-	-	-
	34,324	17,892	555	52,771

For the year ended 31 March 2019	Salaries £	Support costs £	Depreciation £	Total funds 2019 £
Retail expenditure	29,311	7,781	-	37,092
Rental expenditure	1,643	10,038	100	11,781
Fundraising expenditure	-	408	475	883
	30,954	18,227	575	49,756

All support costs are apportioned between the various costs of raising funds and charitable activities according to levels of expenditure. This method of apportionment represents a reasonable approximation of the usage of support costs by each activity.

### 5. Expenditure on charitable activities

For the year ended 31 March 2020	Salaries £	Support costs £	Depreciation £	Total funds 2020 £
Mini day centres	28,157	12,306	-	40,463
Shopping services	14,380	8,704	-	23,084
Information and advice	28,577	3,976	12	32,565
Social enterprise	60,507	19,772	-	80,279
Telephone befriending	-	-	-	-
Tea room	-	-	-	-
Community hub	11,561	3,601	-	15,162
Connect you	19,354	4,273	99	23,726
Minibuses	-	-	25,484	25,484
	162,536	52,632	25,595	240,763

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 5. Expenditure on charitable activities (cont)

For the year ended 31 March 2019	Salaries	Support costs	Depreciation	Total funds 2019
	£	£	£	£
Mini day centres	28,472	10,756	-	39,228
Shopping services	12,096	10,123	-	22,219
Information and advice	26,530	2,992	32	29,554
Social enterprise	93,001	18,082	300	111,383
Telephone befriending	1,586	96	-	1,682
Community hub	2,655	1,452	-	4,107
Connect you	17,262	3,122	276	20,660
Minibuses	-	-	20,445	20,445
	181,602	46,623	21,053	249,278

All support costs are apportioned between the various costs of raising funds and charitable activities according to levels of expenditure. This method of apportionment represents a reasonable approximation of the usage by each activity.

### 6. Support costs

For the year ended 31 March 2020	Unrestricted	Restricted	Designated	Total funds 2020
	£	£	£	£
Rent	-	-	-	-
Light and heat	1,557	2,941	479	4,977
Repairs and maintenance	1,792	4,099	667	6,558
Insurance, licences, and subscriptions	1,745	2,646	425	4,816
Telephone	818	2,747	429	3,994
Stationery and postage	496	1,994	273	2,763
Sundry expenses	1,971	1,232	97	3,300
Photocopier rental	14	44	7	65
Staff training and uniform	6	141	17	164
Volunteer expenses	126	2,298	1	2,425
Food and material purchases	469	3,345	59	3,873
Transport costs	-	9,732	-	9,732
Room hire and refurbishments	-	220	360	580
Reimbursements	-	10,122	20	10,142
Governance costs	8,896	7,095	1,144	17,135
	17,890	48,656	3,978	70,524

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 6. Support costs (cont)

For the year ended 31 March 2019	Unrestricted	Restricted	Designated	Total funds 2019
	£	£	£	£
Rent	-	40	-	40
Light and heat	891	1,147	168	2,206
Repairs and maintenance	3,512	1,966	272	5,750
Insurance, licences and subscriptions	2,178	2,923	427	5,528
Telephone	752	2,672	376	3,800
Stationery and postage	444	1,938	215	2,597
Sundry expenses	1,934	1,223	58	3,215
Photocopier rental	420	1,433	209	2,062
Staff training and uniform	11	567	5	583
Volunteer expenses	127	2,087	3	2,217
Food and material purchases	437	3,351	118	3,906
Transport costs	30	10,632	-	10,662
Room hire and refurbishments	-	190	390	580
Reimbursements	85	8,610	42	8,737
Governance costs	7,406	4,853	708	12,967
	18,227	43,632	2,991	64,850

### 7. Net income for the year

	2020 £	2019 £
<b>The net income for the year is stated after charging:</b>		
Depreciation	26,150	21,628
Independent Examiner's fee	1,100	480
Accountancy fee paid to the Examiner	1,850	1,670

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 8. Employment costs

Staff costs comprise:	2020 £	2019 £
Wages and salaries	190,505	206,905
Employer's national insurance	4,265	4,113
Pension contributions	2,090	1,538
	<b>196,860</b>	<b>212,556</b>

The Charity had 29 (2019 – 32) employees during the year.

No employee received remuneration in excess of £60,000 (2019 – no employee).

During the year, no Trustees were remunerated, received any benefits and no out of pocket expenses were reimbursed. No Trustee, or anyone connected with a Trustee, has a material interest in any of the Charity's transactions.

### 9. Tangible fixed assets

	Freehold land & buildings £	Minibus £	Equipment £	Total £
<b>Cost</b>				
At 1 April 2019	212,000	125,389	15,376	352,765
Additions	-	-	679	679
Disposals	-	(23,852)	-	(23,852)
As at 31 March 2020	212,000	101,537	16,055	329,592
<b>Depreciation</b>				
At 1 April 2019	-	61,741	13,220	74,961
Charge in the year	-	25,384	766	26,150
Elimination on disposals	-	(23,852)	-	(23,852)
As at 31 March 2020	-	63,273	13,986	77,259
<b>Net book value</b>				
At 31 March 2020	212,000	38,264	2,069	252,333
At 31 March 2019	212,000	63,648	2,156	277,804

No depreciation is provided on freehold land and buildings as their residual value is considered to approximate or exceed cost so that any depreciation charge would be trivial.

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 10. Investment property

	Freehold land & buildings £
<b>Cost</b>	224,981
Additions	-
As at 31 March 2020	224,981
<b>Depreciation</b>	
Charge in the year	-
As at 31 March 2020	-
<b>Net book value</b>	
<b>At 31 March 2020</b>	224,981
<b>At 31 March 2019</b>	224,981

The investment property was purchased at a market value of £190,000 on 31 March 2017. The Trustees agreed the purchase price with the seller after obtaining professional valuation of the property and consideration of its value with respect to recent market conditions and property transactions in the local area. The Trustees are of the opinion that the property purchase price still materially represents fair value at the balance sheet date.

### 11. Investments

#### Listed investments

	2020 £	2019 £
Market value at 1 April	7,069	7,076
Unrealised and realised investment losses	(575)	(7)
<b>Market value at 31 March</b>	<b>6,494</b>	<b>7,069</b>
<b>Investment in subsidiary undertaking</b>		
Age UK Selby (Trading) Limited	100	100
<b>Total investments</b>	<b>6,594</b>	<b>7,169</b>

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 11. Investments (cont..)

The Charity owns the entire share capital of Age UK Selby (Trading) Limited, a company registered in England and Wales, which operates the tea room from the investment property of the charity. The company gift aids to the charity its profit annually. The trading results are summarised below:

	2020 £	2019 £
Turnover	54,258	51,425
Cost of sales	(12,240)	(11,323)
Gross profit	42,018	40,102
Administrative expenses	(46,023)	(35,050)
<b>(Loss)/Profit for the year</b>	<b>(4,005)</b>	<b>5,052</b>

<b>The aggregate of the assets, liabilities and funds was:</b>	2020 £	2019 £
Assets	7,874	11,487
Liabilities and provisions	(11,440)	(11,048)
<b>Shareholder's funds</b>	<b>(3,566)</b>	<b>439</b>

### 12. Debtors

	2020 £	2019 £
Amount owed by subsidiary undertaking	10,000	10,000
Prepayments and accrued income	4,666	2,639
	<b>14,666</b>	<b>12,639</b>

### 13. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and other creditors	9,122	6,205
Bank loan	3,071	2,870
	<b>12,193</b>	<b>9,075</b>

The bank loan is secured and disclosed in note 14 to the financial statements.

### 14. Creditors: amounts falling due over one year

	2020 £	2019 £
Bank loan	<b>88,803</b>	<b>91,874</b>

The bank loan is secured against the freehold property at 53 Micklegate, Selby. The loan is repayable by monthly instalments of £720 over 108 months with a final instalment to pay off the outstanding balance. Interest is charged at 6.28% per annum and is fixed for the duration of the agreement.

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 15. Restricted funds

For the year ended 31 March 2020	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
Day centres	10,035	26,116	(40,463)	4,312	-
DDS shopping	20,047	16,955	(23,084)	-	13,918
Mini buses	63,648	-	(25,484)	-	38,164
Social enterprise	-	64,061	(80,279)	16,218	-
Telephone befriending	-	-	-	-	-
Community fund	125,000	19,980	(15,162)	-	129,818
Community hub	9,091	3,700	-	-	12,791
Connecting you	1,857	24,525	(23,726)	-	2,656
	229,678	155,337	(208,198)	20,530	197,347

For the year ended 31 March 2019	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
Day centres	5,938	43,325	(39,228)	-	10,035
DDS shopping	15,090	27,176	(22,219)	-	20,047
Mini buses	78,165	-	(20,445)	5,928	63,648
Social enterprise	-	88,319	(111,383)	23,064	-
Telephone befriending	6,719	1,986	(1,683)	(7,022)	-
Community fund	125,000	-	-	-	125,000
Community hub	-	6,175	(4,106)	7,022	9,091
Connecting you	1,357	21,160	(20,660)	-	1,857
	232,269	188,141	(219,724)	28,992	229,678

# **Age UK Selby District**

## **Notes to the financial statements for the year ended 31 March 2020 (Cont..)**

### **15. Restricted funds (cont..)**

#### *Day Centres*

The two Day Centres operating from Drax Power Station Sports and Social Club remain well supported. A minibus is used to transport the clients to and from the Centre. Attendance at the Selby "Pop-in" centre is growing, being available for Selby Town residents and surrounding villages. These centres are currently partly funded by NYCC with the new contract having been awarded until September 2022.

#### *DDS Shopping*

Primarily using the new minibus designed to hold shopping bags safely, the services for the residents of Selby, Tadcaster, Cawood, Hemingbrough, Hambleton/Thorpe Willoughby/Brayton, Chapel Haddlesey and Greenacres Caravan Park are much appreciated by the users. Funding is provided by NYCC along with grants obtained from the appropriate Town and Parish Councils with a contribution from the service users. The personal door to door service is particularly valued by the older community.

#### *Community Fund - 50 Micklegate, Selby*

The Community Fund provided the majority of the funding for the purchase of this property to allow the organisation to provide facilities and services for the local community for the long term.

#### *New Minibuses*

The NYCC funded minibus which is specially adapted for handling of shopping has been well used during the year while the latest bus replacement is principally used for taking clients to the Day Centres at Drax.

#### *Social Enterprise*

Recruitment activity of staff is an ongoing process both due to the growing workload and turnover of staff. While income now exceeds the direct costs, due to the high level of overheads that the activity attracts there is still a significant deficit.

#### *Telephone Befriending*

This activity was discontinued as it was no longer supported under the new NYCC contract but was reintroduced when the Covid -19 "lock down" was brought in from Mid March.

#### *Connecting You*

The new service assists older people to become familiar with the use of computers including Skype, Facebook and the internet, particularly for communication. Successful applications for small grants from various sources help to keep this innovative scheme viable.



## Age UK Selby District

### Notes to the financial statements for the year ended 31 March 2020 (Cont..)

#### 16. Designated funds

For the year ended 31 March 2020	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2020 £
50 Micklegate, Selby	87,000	-	-	-	87,000
53 Micklegate, Selby	90,000	-	-	-	90,000
Information and advice	30,000	25,322	(32,565)	(22,757)	-
	207,000	25,322	(32,565)	(22,757)	177,000

For the year ended 31 March 2019	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
50 Micklegate, Selby	87,000	-	-	-	87,000
53 Micklegate, Selby	90,000	-	-	-	90,000
Information and advice	30,000	33,825	(29,554)	(4,271)	30,000
Minibus replacement fund	25,000	-	-	(25,000)	-
	232,000	33,825	(29,554)	(29,271)	207,000

#### *50 Micklegate, Selby*

This fund represents additional costs of purchasing this building and the revaluation reserve required to recognise the value of the property (£212,000) at the time of transfer to the new Company structure.

#### *53 Micklegate, Selby*

The Charity Shop fund provided £90,000 towards the purchase and £30,000 towards the subsequent refurbishment property. The new property allowed relocation of the tea room services to the more central and accessible premises. The total, purchase cost of the property was £190,000 and the remaining balance of £100,000 was funded by a long term bank loan.

#### *Information and advice*

This scheme provides an information and advice service, particularly in rural areas. It is highly successful in bringing substantial increases in benefits to the client group. This activity is now partially supported by NYCC under the new contract which is up for review in September 2022 along with funding from Age UK, so the fund has been closed with the balance transferred back to unrestricted funds.

#### *Minibus fund*

A new (mostly grant funded) minibus was purchased this year and so this fund has been consequently cleared in this year's accounts.

# Age UK Selby District

## Notes to the financial statements for the year ended 31 March 2020 (Cont..)

### 17. Financial commitments

At 31 March 2020 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 Total £	2019 Total £
Less than one year	1,138	1,138
2 – 5 years	1,137	2,275
	2,275	3,413

### 18. Analysis of net assets between funds

Fund balances at 31 March 2020 represented by:	Unrestricted £	Restricted £	Designated £	Total 2020 £
Tangible fixed assets	2,069	163,264	311,981	477,314
Investments	6,594	-	-	6,594
Current assets	173,342	37,734	(43,107)	167,969
Current liabilities	(5,471)	(3,651)	(3,071)	(12,193)
Long term liabilities	-	-	(88,803)	(88,803)
<b>Total net assets</b>	<b>176,534</b>	<b>197,347</b>	<b>177,000</b>	<b>550,881</b>

Fund balances at 31 March 2019 represented by:	Unrestricted £	Restricted £	Designated £	Total 2019 £
Tangible fixed assets	2,045	188,747	87,012	277,804
Investments	7,169	-	224,981	232,150
Current assets	162,690	43,998	(9,469)	197,219
Current liabilities	(2,358)	(3,067)	(3,650)	(9,075)
Long term liabilities	-	-	(91,874)	(91,874)
<b>Total net assets</b>	<b>169,546</b>	<b>229,678</b>	<b>207,000</b>	<b>606,224</b>

### 19. Capital commitments

At 31 March 2020 there were no capital commitments (2019 - £nil).

### 20. Related party transactions

Included within other debtors at the year end is a short term loan of £10,000 (2019 - £10,000) owed from Age UK (Trading) Limited a subsidiary undertaking. The loan is interest free and repayable upon demand.