

Registered number: 08412045
Charity number: 1152234

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Miss L Wilson, Chair (resigned 26 October 2021) Dr E J Wilcox, Treasurer Mrs D Reed, Chair Mrs R G Madgwick (resigned 6 September 2021) Mrs H J Planner (resigned 29 July 2021) Mr F Manoharan Ms R K Maslen Mr A Horton (appointed 10 May 2021) Mr K Barker (appointed 2 August 2021) Mrs C Robinson (appointed 8 November 2022)
Company registered number	08412045
Charity registered number	1152234
Registered office	The Old Fire Station Crescent Road Faversham Kent ME13 7GU
Company secretary	Mrs C E Burgess
Chief executive officer	Mrs C E Burgess
Independent auditors	Hedley Dunk Limited Chartered Accountants and Statutory Auditors Trinity House 3 Bullace Lane Dartford Kent DA1 1BB
Bankers	Nat West 13 Market Place Faversham Kent ME13 7AF

AGE UK FAVERSHAM AND SITTINGBOURNE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

● **Policies and objectives**

The objectives of the Charity are:

- preventing or relieving the poverty of older people;
- advancing the education of older people;
- preventing or relieving sickness, disease or suffering in older people (whether emotional, mental or physical);
- assisting older people in need by reason of ill-health, disability, financial hardship, social exclusion or other disadvantage; and
- such other charitable purposes for the benefit of older people as the Trustees may from time to time decide, the outcome of this being the promotion of the well-being of older people.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

● **Volunteers**

The Charity's work would not be possible without the commitment and contribution made by the enthusiastic volunteers who freely give their time for the benefit of older people in the area.

● **Main activities undertaken to further the Charity's purposes for the public benefit**

The Trustees of the Charity have had due regard to the Charity Commission's general guidance on public benefit. The Charity's objectives and aims have been reviewed taking this guidance in to consideration and are still deemed to be appropriate.

Achievements and performance

● **Review of activities**

Achievements for the public benefit directly supported an estimated 2000 individuals and have been demonstrated under the following broad headings:

Day Services

The Charity has two centres, one in Faversham and one Sittingbourne. These provide a range of wellbeing services and act as a hub for local older people. Both centres closed their doors due to Covid-19 in the latter part of March 2020 and services within the centre were opened and closed throughout the year based on risk assessments based around the pandemic. Even when doors were opened they were opened to small groups of people. In January 2021, the Sittingbourne centre was handed to the Sittingbourne PCN for the use of a community vaccination hub. The local area was unable to find a site large enough for their use and the centre

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FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

having a central location and a good space was ideal for this use. This vaccination centre stayed within the Sittingbourne centre for the rest of this financial year. The Faversham site was used to support the community across the whole region and transport was provided to support this.

Wellbeing 2 You

As a result of limited access to group activities due to safety concerns during the pandemic, the Wellbeing 2 You service was developed. The service is completely bespoke, a support worker is matched with a client to deliver support in 1-hour increments, that the client chooses. This support is very varied and ranges from support with shopping, going out for a walk, maintaining a hobby, attending appointments or company and a cup of tea indoors. Due to the proven need for this service, the service has continued and will continue in the future to help alleviate loneliness and isolation in our area.

Walking Football

We started walking football sessions in July 2021. With the support of some initial funding from Age UK National and our local FA. This was a completely new venture for us. However, it was identified as a need coming out of lockdown to decrease social isolation and improve fitness. The sessions run weekly at Swallows Leisure centre in Sittingbourne and are very well attended. This service is predominantly used by men, which in the past have been a harder to reach group, however it is all inclusive. This service is supported by a fully qualified coach and a volunteer.

Walking Netball

We were successful in our bid to Kent County Council, Kent & Medway Active for a Grant to start a new walking netball session. These sessions were to decrease social isolation and loneliness and increase physical activity at the same time. We engaged with a fully qualified coach to start these sessions that were held at The Abbey School in Faversham. We then worked with two attendees to support them through becoming qualified coaches to enable the sessions to be sustainable for the future. Attendees have ranged in age and have been hugely successful. One of the big successes with this programme was the outcome of the tournament we entered in May 2022. With a really new team, we came 2nd out of 11 teams which was fantastic achievement and a real boost for the group.

One of our attendees had the following to say

"What have been the biggest benefits to you since joining? - I feel more confident in meeting new people, and I am more interested and motivated to try and get fit. It has also been excellent for my mental health & wellbeing. I look forward to the sessions.

Describe a memorable moment you have from attending the activity sessions. I don't have one specific memory; the sessions are always enjoyable and good fun. They are an excellent group of people.

How will you continue to stay active? I will, hopefully, continue with the walking netball, and I have now gained the confidence to try other activities (Pilates)."

Community Meals

We continued to use our kitchen sited within a local Optivo owned site. We are able to deliver our community service across Faversham & Sittingbourne from this location. An investment into electric vehicles and electric bars and heated bags made this possible. This service also provides a valuable wellbeing check on vulnerable clients as well as ensure a hot, nutritious, freshly cooked meal is delivered. The person who delivers the meal may well be the only person that our client sees all day and so not only is food delivered, but company and a wellbeing check at the same time which has proven to be invaluable to many clients when they have found themselves in difficulty and we have raised the alarm preventing that individual from suffering further harm and/or distress and ensuring appropriate medical support is provided where necessary. This service reduces the feeling of isolation and loneliness for the clients who receive hot meals and also enables them to continue to live

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

independently and ensures they receive nutritionally balanced food. If an individual requires pureed foods in line with Speech and Language Therapist's advice, we can also accommodate these needs.

Hands 2 Help

The service includes a gardening service to complement the other independent living services which provides domestic assistance and shopping & prescription collection and delivery and assisted trips for medical appointments, vaccinations, shopping etc. This service was invaluable to the community particularly due to Covid. The service also provides company and reduces loneliness and isolation. Having an allocated person who delivers the service enables the client and our team member to build a relationship that enables our team member to offer further support and or signposting when required. This service supported circa 6300 hours of service.

Befriending

This free service was stopped when the first lockdown was announced. Where it was appropriate then telephone befriending carried on. By the end of the year the face-to-face part of the service was still closed, however the telephone befriending and a newly launched pen pal scheme were still in place. This service reduces the impact of loneliness and isolation across our community.

As well as the benefits of the friendship itself, there are also the auxiliary things that our befriending coordinator, or the befrienders pickup on, such as a new client whose husband had been in hospital for 5 months not knowing how to tune her radio so she could actually listen to it! Another client had been waiting for someone to get a stand for her TV which had been left on the floor where she could not see it. The befriender and our coordinator adapted 2 small cabinets from the unused bedroom and resolved the issue in a matter of minutes.

We also supported a client (who lives with additional disabilities) who was digitally excluded – she is delighted with her new laptop which our coordinator applied for and which her befriender helped her set up. Befrienders have also been happy to link in and communicate with our coordinator and our other services to ensure clients (especially those who live alone,) do not fall down the gaps in the system if they end up in hospital or come out without us being updated! They are a wonderful set of additional eyes and ears.

Our coordinator also said "I can really tell the difference in once client who has never had a friend throughout his life until now due to his mental ill health! He is like a different person, much more positive on the phone and yet his physical health is now failing, and I have no doubt his befriender is helping him to keep a positive outlook on things."

Community navigation

This contract is provided in partnership with other organisations and led by Social Enterprise Kent and has been vital over the last couple of years and was extremely needed during the Covid pandemic. We employ one community navigator under this contract who supports the Faversham and outlying areas. (Contractually we do not cover Sittingbourne). This service works with individuals supporting them in many ways from ensuring benefits are applied for, signposting to other support agencies, ensuring adaptations are made where required. The top three reasons for referral for support are: -

Daily Living – Equipment, Household tasks and Property maintenance

Finance and Benefit Maximisation

Transport

Personalised Independence Coordinator

This contract is provided in partnership with Age UK Herne Bay & Whitstable and other parties across Faversham only. The contract enables us to employ one coordinator who works closely with Faversham GP's

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Achievements and performance (continued)

and who is an active attendee of Multidisciplinary Team Meetings where they identify patients who need further support across the community. This contract has been extended for a further year.

Specialist Dementia Services

This service encompasses many strands and has support available to people from pre diagnosis of memory concerns through to more in-depth support where required.

Fountain specialist day care

Our Dementia Day sessions were reopened where Covid restrictions allowed, and we noticed immediately the deterioration of many people who had really been impacted by the isolation that the initial stages of the pandemic had caused. There was immediate support required for both our clients and their family members/carers and where it was safe to do so we reopened our centre 5 days a week. We did have to close intermittently through the year due to covid staffing challenges, however we endeavoured to keep this to a minimum as we understood the impact that this would have. Our centre when opened supported clients 5 days a week Monday to Friday and included transport to the centre, refreshments, cognitive activities and a hot two course freshly prepared lunch. Through the year we supported a total of 1259 sessions.

Due to additional funding received from The Clothworkers Foundation and a legacy from Iris Skinner's Estate we were able to purchase a magic table (Tovertafel) from Tover.

"Discover Tovertafel 2 Discover the genius of play We believe in the power of play. Whether it's breaking through apathy, increasing social interaction or physical activity or reducing restless or tense behaviour, play is the ultimate solution. The unique Tovertafel 2 games provide more than just fun and wonder. They have a positive impact on the quality of life of people with cognitive challenges.

What is the Tovertafel? The Tovertafel projects interactive games and vibrant images onto a surface such as a table or floor. The varied games respond to the movements of the players and have one thing in common: they have a serious purpose besides providing pleasure and entertainment."

We look forward to the positive impact this piece of equipment will bring to all of our clients.

One of our clients' daughters who is full time carer and LPA commented, "Mum is really enjoying her time at the fountain, she looks forward to going and it's a game changer all staff are amazing including the Domestic side and Mum seems so much happier a really big thank you!"

Fountain Companionship

This service was launched during Covid to enable us to support clients and their families/carers living with dementia. This service has continued to grow and is highly valued by the people who access it. This service is completely bespoke to an individual and provides 1-1 support based on the specific needs of the person living with dementia and their family/carers. These visits can vary in time, length of time and reason. They may provide carer's respite, taking the client to enjoy their favourite hobbies such as golf, visiting aviation museums. The service has shown positive impact on our client's and their families' lives enabling them to continue to enjoy their lives and hobbies that they enjoyed before diagnosis.

Cogs Clubs

This service was reopened, and we very quickly realised that people we had previously supported with COGS were no longer able to attend these sessions as their health had deteriorated through the pandemic which meant that they no longer met the criteria for these sessions. We continued to support people via other services, however we had to restart the COGS sessions from a new starting point. By the end of the year we had COGS sessions running for up to 12 people per session in both Sittingbourne and Faversham. Due to the successful bid in partnership with Alzheimers & Dementia Support we look forward in 2022 to supporting many more people and will increase our sessions across of region to reach more people.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

Dementia/Memory Cafes

This service was reopened and unfortunately, we again had to start from scratch due to the changes caused by the pandemic. We reopened our café initially in Faversham and worked with The Abbey Physic Garden for them to provide a location in Faversham. This is a lovely location chosen for its beauty and peacefulness and has been extremely popular with attendees. Due to funding confirmed at the end of the year from KCC (Kent County Council) via our partnership with Alzheimers & Dementia Support Services we will be increasing our cafes to include Sittingbourne and a more rural location. We look forward to supporting many more people at our memory cafes through 22/23.

Information and Advice

This absolutely vital, free service continued to offer advice on welfare benefits and associated aspects to many older people, their families and carers across the area. The service also supported the Sheppey area during February and March of 2022.

The service supports people in many ways

- Welfare benefits:
- Benefit checks
- Form filling for: Attendance Allowance, Personal Independence Payment, Employment and Support Allowance, Disability Living Allowance, Universal Credit, Job Seekers Allowance, Carers Allowance, Pension Credit, State Pension, Housing Benefit, Council Tax Support, Council Tax Reduction.
- Housing:
- Supporting people to understand and navigate the range of options available.
- Help with applying to the Housing Register.
- Health & Social Care:
- Advice on accessing Social Care support for both funded & self-funded clients.
- Advice on statutory rights to Assessments.
- Advice on hospital discharge procedures.

Other:

- Information only on Power of Attorney's / Wills (not advice or help with applications).
- Help with Blue Badge and Disability Bus Pass applications.

The service is quality assured and training is undertaken by Advisors and Volunteers to ensure they are up to date with the advice given.

In the last year we have supported in excess of 1000 people and realised over £700k of benefits for our clients

Number of clients, 1098
Benefit Take-up, £772,956

This service was funded using some of the grant funding from Kent County Council, unfortunately this grant funding is no longer in existence, however The Trustees appreciate how important this service is to our community and have agreed to fund from reserves for the year 22/23 or until alternative funding can be sourced.

We rely on fundraising and grants to deliver our services.

Governance, structure and management

The Board of Trustees met monthly throughout the year as did the HR & Finance subcommittee to ensure the Charity was steered through the pandemic. A skills audit and gap analysis were completed through the year and will direct future recruitment of further trustees. A Health & Safety subcommittee was formed during the year 21/22 which is led by the Health & Safety lead Trustee, Alan Horton. The lead safeguarding Trustee is Donna

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

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Strategic Direction and Challenges

The strategic plan that had been created was massively impacted by the Covid pandemic and has led to a pause and reflection. The strategic plan will be reviewed in 2021/22.

Wellbeing grants from Kent County Council were confirmed as ending in March 2022. KCC moved to a commissioning model and commissioned a number of contracts as a replacement. Age UK Faversham & Sittingbourne tendered for both the Wellbeing Contract and the Post Diagnostic dementia support wellbeing Contract with a number of lead partners. This contract was awarded in February 2022 with a go live date of April 2022. Age UK Faversham & Sittingbourne were not successful in any of their bids for the Wellbeing Contract, however, were successful in their bid for the post diagnostic dementia support services in partnership with Alzheimers & Dementia Support Services.

The contract award will mean a substantial loss of income for Age UK Faversham & Sittingbourne. A lot of work has been done during the previous year including a restructure of the organisation to enable us to sustain this loss, however there is no doubt there will be an impact and the Board of Trustees will review their strategy in line with this loss.

We do however look forward to mobilising the new post diagnostic dementia support contract with both Alzheimers & Dementia Support Services and Age UK Sheppey and having the opportunity to support many more people across the Faversham & Sittingbourne areas who are living with memory issues.

We continue to work to create and build new strategic partnerships for service delivery with local housing organisations, local charitable organisations and community groups.

Organisation

In 2021 the Charity was re awarded its ISO9001:2015 quality standards.

In February 2022 the Charity achieved Kent & Medway Workplace Wellbeing Bronze Award.

A thorough service review was carried out to ensure that the Charity's services were appropriate and sustainable.

Payroll was moved to Xero from Sage in April 2021 which gave cost and process efficiencies and tied in with our invoicing system which had already moved to this system.

There was a price increase in September 2021 for our Hands 2 Help service to ensure services could still be delivered taking into account the increase of employment costs and PPE (Personal Protective Equipment) costs.

Clients

The ability of clients to remain living independently, for as long as they wish to, continues to be the main focus of the Charity's operations.

Across all services, the Charity supported almost 2,000 individuals in a variety of ways.

The majority of clients were aged 70+ and the ratio of all clients was 56% female, 44% male which was a 4% increase in male clients.

Clients were able to give feedback during the year by a variety of means including client forums and feedback surveys.

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Achievements and performance (continued)

The 'Kent Impact Management' system was used during the period to monitor and report on changes in wellbeing amongst a sample client base. Results demonstrated an increase in the wellbeing of clients in the months following their first engagement with the Charity's services. We introduced the use of other impact modelling tools during this time.

Staff and Volunteers

The Charity employed 44 staff, most of whom work on a part time basis.

In June 2021 a restructure of the charity took place to ensure sustainability and flexibility of the charity.

The Charity employed a Head of Finance to support the CEO (Chief Executive Officer) in this regard. It was noted by the Trustees that as the Charity was now classed as a medium size charity that recommendations were that a qualified financial professional should join the team.

The Charity's work would not be possible without the commitment and contribution made by the enthusiastic volunteers who freely give their time for the benefit of older people in the area.

During the year volunteer numbers remained low as many people did not return as there was still a fear of Covid.

Trustees

All trustees were expected to attend at least one formal training course per year to develop their roles.

Communications and Fundraising

Social media continues to accumulate further followers and has been a key way to communicate messages through the pandemic.

A part time self-employed fundraiser was engaged by the Charity to support with fundraising and marketing support.

Local radio and press have been helpful in our communications this year.

● **Fundraising activities and income generation**

The Charity has undertaken various fundraising activities but on a much smaller scale than usual during the financial year in order to raise additional funds, with the aim of applying these towards the charitable objectives. The Charity has ensured compliance with the appropriate fundraising regulations.

Financial review

● **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Much work was done on cost control, efficiency savings and income development, and as such the Board of Trustees are expecting to see further sustainability measures in 2022/23.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

● **Reserves policy**

The Charity needs reserves to safeguard its day to day services by maintaining a positive cashflow position without recourse to borrowing. The reserves policy is reviewed when considering the annual budget and setting charges and spending levels for the forthcoming financial year.

A designated fund was created in the comparative period to allow for staff redundancy provision in the event of the Charity being wound up. This had an effect of the level of free reserves, but was felt to be a prudent action.

A working balance of six months gross operating costs is regarded as a reasonable level of free reserves for the Charity to hold. With these costs being an estimated £615,000, the Charity has been able to achieve this target in the 2021/22 financial year.

The Charity closed the year in a position of strength in terms of reserves. However, in light of the reduction in funding from Kent County Council, and hence a predicted loss in the 2023 financial year the trustees deemed it prudent to revise the policy accordingly.

The reserve policy set was to maintain free reserves of £100,000 in order to meet close down costs. This policy will be reviewed on a quarterly basis.

● **Principal risks and uncertainties**

The Charity continues to positively manage risk as a high priority. Risks are identified by the Board of Trustees on a regular basis against a Risk Register, which is updated as necessary.

Guidance and instruction to the Board from the Charity Commission about managing risk is regularly reviewed and implemented.

The main risks that face the Charity are:

- Loss of core grants from the Local Authority which would represent a significant loss of income.
- Unplanned capital expenditure on repairs and replacements to premises and vehicles.
- Reduced demand for services.
- Increased cost of providing services.
- Competition for some services from other local providers.

● **Principal funding**

Despite many years of receiving numerous legacies, donations and core funding, these resources remain on the decline.

The cessation of core statutory grants, and the replacement of these with competitive contracts will mean that the charity will have to look at full cost recovery for its main services

The Trustees have continued to look at other ways to fund required services to the community. Future strategy includes the opening of new services which will be self-sustainable or funded by sources other than statutory funding. We also plan to collaborate with other organisations to work to reduce costs and increase reach.

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● **Results for the year**

The results for the year are set out within the Statement of financial activities, and shows a surplus for the year of £153,096 (2021: £215,581), with total income of £1,385,637 (2021: £1,242,599) and total expenditure of £1,232,541 (2021: £1,027,018). As set out in the Balance sheet, at the reporting date the Charity holds total funds of £883,982, with £458,325 being held in designated funds, £67,024 in restricted funds, and £358,633 in unrestricted general funds.

Structure, governance and management

● **Constitution**

Age UK Faversham and Sittingbourne is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

● **Methods of appointment or election of Trustees**

Age UK Faversham and Sittingbourne recognises that effective trustee recruitment and training is one of the fundamental principles underpinning its governance.

The Charity also recognises that members of the governing body should have a diverse range of skills, experience and knowledge. Furthermore, they should represent stakeholders and service users and aim to reflect the local community.

The recruitment process is undertaken openly with all prospective candidates being given a realistic understanding of the duties involved and the remit and the structure of the Charity.

All Trustees are recruited in accordance with the Charity's governing document.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management (continued)

● **Organisational structure and decision-making policies**

General control and management of the administration of the Charity is carried out by the Board of Trustees who are appointed by way of nomination and election by the membership in accordance with the procedures detailed in the governing documents.

The Board of Trustees is authorised to appoint new trustees to fill vacancies through resignation or death of an existing trustee. Prospective trustees are interviewed by the Chair and Chief Executive Officer and, if appointed, are provided with a role description and are required to undertake induction training in the work of the organisation and its policies and procedures.

Trustees formulate the strategic direction of the Charity and have overall responsibility for ensuring that the Charity has appropriate systems of control, financial and otherwise. Responsibility for day to day management of services is delegated to the Chief Executive Officer.

Systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic plan and annual budget approved by the Trustees;
- regular consideration by the Trustees of financial results, variance of budgets, non-financial performance indicators and benchmarking reviews;
- delegation of authority and segregation of duties;
- identification and management of risk, and;
- regular review of the Charity's policies and procedures.

The Charity is a Brand Partner of Age UK and is required to meet the national Charity Quality Standards laid down by them.

● **Policies adopted for the induction and training of Trustees**

New trustees are given an information pack which includes copies of the Charity's governing documents and other relevant information. They are also given induction training and the support that they require to undertake their duties effectively. Ongoing training is identified through annual reviews and arrangements made for relevant training to be provided from either the Charity or other external sources.

Trustees also receive regular briefings on the work of the Charity to help them ensure that its stated aims and objectives are being carried out in a proper manner within the financial resources available for that purpose.

● **Employee Involvement**

Employees have been consulted on issues of concern to them by means of regular check-ins, appraisal and staff meetings, and have been kept informed on specific matters directly by management, this has been mainly by electronic means due to the difficulty of getting all of the team in one place at the same time. All staff briefings are recorded and circulated by email.

The Charity has implemented a number of detailed policies and procedures in relation to all aspects of personnel and service delivery matters, including equality and diversity; health and safety; the protection of vulnerable adults; data protection; and confidentiality etc.

An annual strategy day, involving Trustees and senior staff was held in February 2022.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

● **Covid 19**

The Covid 19 pandemic has had a massive impact across every aspect of our organisation. The changes in Government guidance and lockdown requirements put huge pressure on the senior leadership team of the Charity to ensure all employees, volunteers and our clients remained as safe as possible whilst continuing to support our clients to ensure they were still receiving vital services and ensuring feelings of loneliness and isolation was kept as low as possible.

The full impact of the pandemic on the UK economy is yet to be seen, but the Charity will continue to seek to mitigate this risk by following the UK Government's guidelines and adapting/developing its own internal strategy.

Our clients had lost their day-to-day physical contact via our day centres, our dementia clients had not been receiving the stimulation and social interaction that they need, and their carers have really struggled with isolation and 24/7 care requirements. We have worked hard to build confidence in all of our groups to encourage people to return to their pre Covid groups.

Closure of some services resulted in our income reducing and the Charity had to re-evaluate their way of delivering services. The changes that have been made will be carried forward into our post pandemic world.

We have made significant changes to the services we will operate moving forward, social distancing is a real challenge, given the limited space we have and the vulnerability of our client base, that said, both the management team and board of trustees feel very hopeful and positive for the future. We are exploring areas of new income and ways in which to grow our current business.

We would like to take this opportunity to thank all of the staff and volunteers who worked tirelessly through the pandemic and their family members who supported them to do so. We would also like to pay tribute to the many other local services who worked with us to ensure our clients were kept as safe as possible.

We did lose a number of clients to the pandemic which was exceptionally sad and very hard for our team. They will never be forgotten and will always remain in our memories as part of our Age UK F&S family.

Plans for future periods

The appointment of an experienced Chief Executive Officer has strengthened the Charity's Day to day management and strategic vision. The Charity continues to seek to control costs in all areas and to achieve as much sustainable income as possible.

Key areas for the future include the expansion and development of our services for people living with dementia and their carers.

Funding continues to be both a key risk and a key priority for the Charity. The move by Kent County Council away from core grants, and towards contracts, continues and some services will see this transformation in the coming year. Obtaining contracted income would be beneficial in that the future financial position can be better managed through the knowledge of defined contract periods. However, the risk of not winning tenders and/or securing further funding remains a possibility.

The last three years have been a very difficult time for the Charity, but Trustees are confident that a Board with a broad skill set, and a strong management team have ensured that a corner has been turned both operationally and financially. The Charity's purpose is to meet the needs of the over 55's in the community we serve, and Trustees are confident that this will continue to be achieved.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

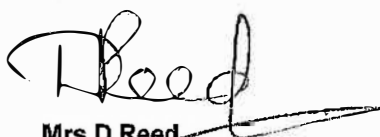
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies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

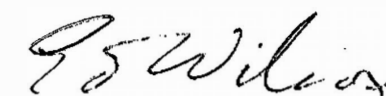
Disclosure of information to auditors

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:


Mrs D Reed
Chair


Dr E J Wilcox
Treasurer

Date 18 January 2023

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE UK FAVERSHAM AND SITTINGBOURNE

Opinion

We have audited the financial statements of Age UK Faversham and Sittingbourne (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE UK FAVERSHAM AND
SITTINGBOURNE (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE UK FAVERSHAM AND
SITTINGBOURNE (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Charity and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 (to leave in for charitable companies but remove for unincorporated charities) and other relevant charity legislation.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to: posting inappropriate journal entries to increase revenue or reduce expenditure;

and management bias in accounting estimates and judgemental areas of the financial statements. Audit procedures performed by the engagement team included:

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGE UK FAVERSHAM AND
SITTINGBOURNE (CONTINUED)**

intentional concealment, forgery, collusion, omission or misrepresentation.

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

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

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Hedley Dunk Limited
Chartered Accountants and Statutory Auditors
Trinity House
3 Bullace Lane
Dartford
Kent
DA1 1BB

18 January 2023

Hedley Dunk Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	675,354	140,017	815,371	849,210
Charitable activities	4	535,571	-	535,571	384,351
Other trading activities	5	990	-	990	43
Investments	6	33,705	-	33,705	8,995
Total income		1,245,620	140,017	1,385,637	1,242,599
Expenditure on:					
Raising funds		708	-	708	338
Charitable activities	7	1,150,145	81,688	1,231,833	1,026,680
Total expenditure		1,150,853	81,688	1,232,541	1,027,018
Net income		94,767	58,329	153,096	215,581
Transfers between funds	17	7,447	(7,447)	-	-
Net movement in funds		102,214	50,882	153,096	215,581
Reconciliation of funds:					
Total funds brought forward		714,744	16,142	730,886	515,305
Net movement in funds		102,214	50,882	153,096	215,581
Total funds carried forward		816,958	67,024	883,982	730,886

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

The notes on pages 22 to 36 form part of these financial statements.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08412045

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	335,481	309,353
		<u>335,481</u>	<u>309,353</u>
Current assets			
Stocks	13	4,068	2,437
Debtors	14	59,038	44,215
Cash at bank and in hand		589,652	498,804
		<u>652,758</u>	<u>545,456</u>
Creditors: amounts falling due within one year	15	(51,235)	(71,688)
Net current assets		<u>601,523</u>	<u>473,768</u>
Total assets less current liabilities		<u>937,004</u>	<u>783,121</u>
Creditors: amounts falling due after more than one year	16	(53,022)	(52,235)
Net assets excluding pension asset		<u>883,982</u>	<u>730,886</u>
Total net assets		<u><u>883,982</u></u>	<u><u>730,886</u></u>
Charity funds			
Restricted funds:			
Restricted funds	17	67,024	16,142
Total restricted funds	17	<u>67,024</u>	<u>16,142</u>
Unrestricted funds			
Designated funds	17	458,325	444,066
General funds	17	358,633	270,678
Total unrestricted funds	17	<u>816,958</u>	<u>714,744</u>
Total funds		<u><u>883,982</u></u>	<u><u>730,886</u></u>

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08412045

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

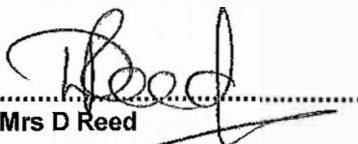
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 18 January 2023 and signed on their behalf by:


.....
Mrs D Reed


.....
Dr E J Wilcox

The notes on pages 22 to 36 form part of these financial statements.

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	105,874	216,923
Cash flows from investing activities		
Dividends, interests and rents from investments	33,705	8,995
Proceeds from the sale of intangible assets	7,000	152,500
Purchase of tangible fixed assets	(50,731)	(55,369)
Net cash (used in)/provided by investing activities	(10,026)	106,126
Cash flows from financing activities		
Repayments of borrowing	(5,000)	(3,284)
Net cash used in financing activities	(5,000)	(3,284)
Change in cash and cash equivalents in the year	90,848	319,765
Cash and cash equivalents at the beginning of the year	498,804	179,039
Cash and cash equivalents at the end of the year	589,652	498,804

The notes on pages 22 to 36 form part of these financial statements

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Age UK Faversham & Sittingbourne is a company limited by guarantee with the company registration number 08412045 and the charity registration number 1152234. The address of the registered office is The Old Fire Station, Crescent Road, Faversham, Kent, ME13 7GU and is the principal place of business. The main objects of the Charitable Company are to: prevent or relieve the poverty of older people; to advance the education of older people; to prevent or relieve sickness, disease or suffering in older people (whether emotional, mental or physical); to assist older people in need by reason of ill-health, disability, financial hardship, social exclusion or other disadvantage; and such other charitable purposes for the benefit of older people as the trustees may from time to time decide, the outcome of this being the promotion of the well-being of older people.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Age UK Faversham and Sittingbourne meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

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

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

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

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

2.5 Interest receivable

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Motor vehicles	-	20% reducing balance
Fixtures and fittings	-	25% straight line

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.7 Stocks

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

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

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

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

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

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

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

2.13 Pensions

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

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.14 Fund accounting

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

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

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

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

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	12,956	3,510	16,466	44,329
Legacies	185,673	-	185,673	20,016
Grants	5,000	16,740	21,740	34,125
Government grants	471,725	119,767	591,492	750,740
	<u>675,354</u>	<u>140,017</u>	<u>815,371</u>	<u>849,210</u>
Total 2021	<u>745,983</u>	<u>103,227</u>	<u>849,210</u>	

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Well Being Services	95,843	95,843	15,785
F&S Food	207,309	207,309	239,295
Bathing and Nail Care	-	-	441
Dementia Services	86,004	86,004	25,208
COGS Club	10,661	10,661	8,710
Hands to Help	135,754	135,754	94,912
	<u>535,571</u>	<u>535,571</u>	<u>384,351</u>
Total 2021	<u>384,351</u>	<u>384,351</u>	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	990	990	43
	<u>43</u>	<u>43</u>	
Total 2021	<u>43</u>	<u>43</u>	

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rent receivable	33,639	33,639	8,814
Deposit account interest	66	66	181
Total 2022	33,705	33,705	8,995
Total 2021	8,995	8,995	

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Charitable Activities	1,150,145	81,688	1,231,833	1,026,680
Total 2021	935,195	91,485	1,026,680	

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Charitable Activities	816,683	24,604	390,546	1,231,833	1,026,680
Total 2021	758,855	23,126	244,699	1,026,680	

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable Activities	812,078	419,755	1,231,833	1,026,680
Total 2021	590,305	436,375	1,026,680	

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	620,426	450,634
Catering costs	115,013	78,390
Motor and travel expenses	35,723	33,537
Staff training	395	-
Rent & room hire	3,455	-
Insurance	593	-
Repairs and maintenance	23,119	-
Printing, postage, stationery and telephone	1,774	-
Legal and professional fees	82	-
Miscellaneous expenses	11,498	-
Restricted grant expenditure	-	27,744
	812,078	590,305

Analysis of support costs

AGE UK FAVERSHAM AND SITTINGBOURNE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Total funds 2022 £	Total funds 2021 £
Staff costs	196,257	308,221
Depreciation	24,604	23,126
Staff training	4,391	2,724
Rent & room hire	13,860	17,604
Bad debts	8,020	7,447
Light, heat and water rates	10,748	14,784
Bank charges and interest	9,494	5,225
Insurance	10,888	9,910
Repairs and maintenance	80,036	64,180
Leasing costs	6,607	8,338
Printing, postage, stationery and telephone	20,065	21,182
Legal and professional fees	5,296	12,919
Auditor's remuneration	5,400	6,912
Loss / (profit) on disposal of fixed assets	(7,000)	(74,354)
Miscellaneous expenses	31,089	8,157
	<u>419,755</u>	<u>436,375</u>

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £5,400 (2021 - £6,912).

10. Staff costs

	2022 £	2021 £
Wages and salaries	768,487	719,878
Social security costs	38,768	29,799
Contribution to defined contribution pension schemes	9,428	9,178
	<u>816,683</u>	<u>758,855</u>

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

	2022 No.	2021 No.
Employees	<u>51</u>	<u>61</u>

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10. Staff costs (continued)

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

The remuneration of the key management personnel in the year, including employer's national insurance contributions, amounted to £64,980 (2021 - £63,218)

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

12. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2021	282,087	38,882	103,817	424,786
Additions	-	45,380	5,353	50,733
At 31 March 2022	<u>282,087</u>	<u>84,262</u>	<u>109,170</u>	<u>475,519</u>
Depreciation				
At 1 April 2021	27,329	12,764	75,340	115,433
Charge for the year	4,504	7,656	12,444	24,604
At 31 March 2022	<u>31,833</u>	<u>20,420</u>	<u>87,784</u>	<u>140,037</u>
Net book value				
At 31 March 2022	<u>250,254</u>	<u>63,842</u>	<u>21,386</u>	<u>335,482</u>
At 31 March 2021	<u>254,758</u>	<u>26,118</u>	<u>28,477</u>	<u>309,353</u>

13. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>4,068</u>	<u>2,437</u>

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14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	55,932	42,863
Other debtors	-	182
Prepayments and accrued income	3,106	1,170
	<u>59,038</u>	<u>44,215</u>

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	4,405	4,060
Trade creditors	15,081	22,142
Other taxation and social security	12,882	8,344
Pension fund loan payable	57	-
Other creditors	2,971	250
Accruals and deferred income	15,839	36,892
	<u>51,235</u>	<u>71,688</u>

16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	<u>53,022</u>	<u>52,235</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Fixed Asset Fund	309,353	-	(23,481)	16,743	302,615
Redundancy Fund	134,713	-	-	(9,339)	125,374
Building Fund	-	-	(14,664)	30,000	15,336
IT Sales Force Fund	-	-	-	15,000	15,000
	<u>444,066</u>	<u>-</u>	<u>(38,145)</u>	<u>52,404</u>	<u>458,325</u>
General funds					
General Funds - all funds	<u>270,678</u>	<u>1,245,620</u>	<u>(1,112,708)</u>	<u>(44,957)</u>	<u>358,633</u>
Total Unrestricted funds	<u>714,744</u>	<u>1,245,620</u>	<u>(1,150,853)</u>	<u>7,447</u>	<u>816,958</u>
Restricted funds					
Restricted Donations Various	7,447	3,510	(816)	(7,447)	2,694
Dementia Cafes	4,590	4,590	(450)	-	8,730
Colyer Ferguson	4,105	-	(4,105)	-	-
COMF Electric People Carrier	-	43,348	(10,482)	-	32,866
Swale Self Isolation Fund	-	25,000	(4,661)	-	20,339
Staff Wellness Grant	-	650	-	-	650
Walking Football Funds	-	5,000	(3,689)	-	1,311
WRRF	-	5,225	(5,225)	-	-
ICF	-	32,660	(32,576)	-	84
Bensted Charity Grant	-	1,500	(1,500)	-	-
East Kent Strategy PPE Grant	-	1,000	(662)	-	338
Swale Lighting Grant	-	9,095	(9,095)	-	-
Clothworker Foundation Fund	-	5,000	(5,000)	-	-
Walking Netball Funds	-	3,439	(3,427)	-	12
	<u>16,142</u>	<u>140,017</u>	<u>(81,688)</u>	<u>(7,447)</u>	<u>67,024</u>
Total of funds	<u>730,886</u>	<u>1,385,637</u>	<u>(1,232,541)</u>	<u>-</u>	<u>883,982</u>

AGE UK FAVERSHAM AND SITTINGBOURNE
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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Unrestricted funds					
Designated funds					
Fixed Asset Fund	355,256	20,016	(23,126)	(42,793)	309,353
Redundancy Fund	111,426	-	(9,194)	32,481	134,713
	<u>466,682</u>	<u>20,016</u>	<u>(32,320)</u>	<u>(10,312)</u>	<u>444,066</u>
General funds					
General Funds - all funds	<u>47,128</u>	<u>1,119,356</u>	<u>(903,213)</u>	<u>7,407</u>	<u>270,678</u>
Total Unrestricted funds	<u>513,810</u>	<u>1,139,372</u>	<u>(935,533)</u>	<u>(2,905)</u>	<u>714,744</u>
Restricted funds					
Restricted Donations Various	467	6,500	-	480	7,447
Dementia Cafes	-	4,590	-	-	4,590
Colyer Ferguson	-	9,428	(3,709)	(1,614)	4,105
Living Well	548	20,000	(20,548)	-	-
Day Care Refurbishments	480	-	-	(480)	-
Restricted Grants Various	-	9,156	(9,156)	-	-
ICF	-	9,262	(9,262)	-	-
WCF	-	3,151	(3,151)	-	-
Age UK Emergency Fund	-	6,652	(6,652)	-	-
Charity Loan Spend	-	-	(4,519)	4,519	-
Care Navigator	-	34,488	(34,488)	-	-
	<u>1,495</u>	<u>103,227</u>	<u>(91,485)</u>	<u>2,905</u>	<u>16,142</u>
Total of funds	<u>515,305</u>	<u>1,242,599</u>	<u>(1,027,018)</u>	<u>-</u>	<u>730,886</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	444,066	-	(38,145)	52,404	458,325
General funds	270,678	1,245,620	(1,112,708)	(44,957)	358,633
Restricted funds	16,142	140,017	(81,688)	(7,447)	67,024
	<u>730,886</u>	<u>1,385,637</u>	<u>(1,232,541)</u>	<u>-</u>	<u>883,982</u>

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	466,682	20,016	(32,320)	(10,312)	444,066
General funds	47,128	1,119,356	(903,213)	7,407	270,678
Restricted funds	1,495	103,227	(91,485)	2,905	16,142
	<u>515,305</u>	<u>1,242,599</u>	<u>(1,027,018)</u>	<u>-</u>	<u>730,886</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted funds - class ii 2022 £	Total funds 2022 £
Tangible fixed assets	302,615	32,866	-	335,481
Current assets	618,600	34,158	-	652,758
Creditors due within one year	(51,235)	-	-	(51,235)
Creditors due in more than one year	(53,022)	-	-	(53,022)
Total	<u>816,958</u>	<u>67,024</u>	<u>-</u>	<u>883,982</u>

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	309,353	-	309,353
Current assets	529,314	16,142	545,456
Creditors due within one year	(71,688)	-	(71,688)
Creditors due in more than one year	(52,235)	-	(52,235)
Total	714,744	16,142	730,886

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	153,096	215,581
Adjustments for:		
Depreciation charges	24,604	23,126
Dividends, interests and rents from investments	(33,705)	(8,995)
Profit on the sale of fixed assets	(7,000)	(74,354)
Increase in stocks	(1,631)	(2,437)
Decrease/(increase) in debtors	(10,005)	28,496
Increase/(decrease) in creditors	(19,485)	35,506
Net cash provided by operating activities	105,874	216,923

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	589,652	498,804
Total cash and cash equivalents	589,652	498,804

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22. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	498,804	90,848	589,652
Debt due within 1 year	(4,060)	(402)	(4,462)
Debt due after 1 year	(52,235)	(787)	(53,022)
	<u>442,509</u>	<u>89,659</u>	<u>532,168</u>

23. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £9,428 (2021 - £9,178). Contributions totalling £57 (2021 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	5,124	9,013
Later than 1 year and not later than 5 years	3,204	1,920
	<u>8,328</u>	<u>10,933</u>

25. Related party transactions

Dr E J Wilcox, Trustee, is also a trustee of The Rotray Club of Faversham Trust Fund. During the financial year, the Charity received income from The Rotary Club of Faversham Trust Fund of £Nil (2021: £500). There are no amounts outstanding at the balance sheet date (2021: £Nil).