

Company Number: 07428157

Charity Number: 1139928

Age UK Selby District

(A company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 March 2017

Age UK Selby District

General Information

Trustees

R E Sayner	(Chair)
R H Drew	(Vice Chair)
M J Meanwell	
R Procter	
J Thurlow	(Appointed 13 July 2016)
K Haggerty	(Appointed 13 July 2016)
B Marshall	(Retired 13 July 2016)
G Gordon	(Retired 21 February 2017)

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
Arabesque House
Monks Cross Drive
York
YO32 9GW

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
1st 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 2017

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 2017 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 Jan 2015) 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.

Trustees

The following Trustees have held office since 1 April 2016:

R E Sayner (Chair)

M J Meanwell

R Procter

B Marshall (Retired 13 July 2016)

R H Drew (Vice Chair)

K Haggerty (Appointed 13 July 2016)

J Thurlow (Appointed 13 July 2016)

G Gordon (Retired 21 February 2017)

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

Independent Examiner

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CAF Cash Limited

Kings Hill

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M19 4TA

Santander

15 Gowthorpe

Selby

YO8 4HE

Age UK Selby District

Report of the Trustees for the year ended 31 March 2017 (Contd)

Reserves Policy

The 50 Micklegate, Selby fund holds the additional costs made in purchasing the building along with the revaluation reserve required to recognise the value of the property at the time of transfer to the company structure.

The 53 Micklegate, Selby fund represents the purchase price of the building to be used for the replacement tearoom.

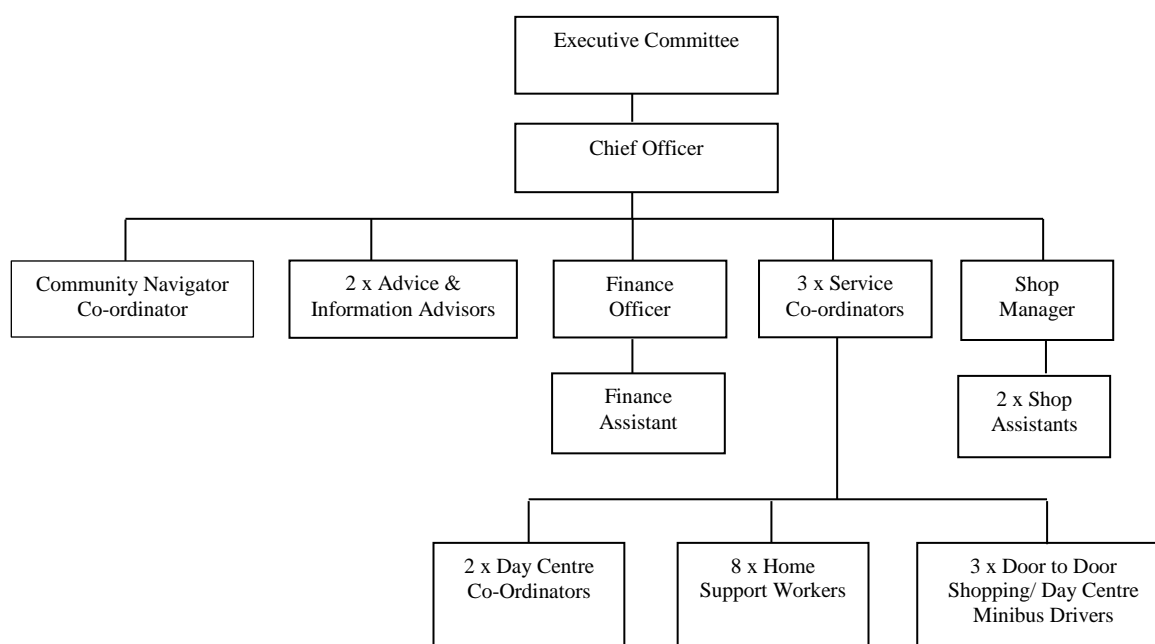
The minibus replacement fund has been halved at £25,000 on the assumption that match funding will be available when the time comes for replacement. This is to ensure that the funds are available to replace a minibus even if partial grant funding has not been obtained.

The refurbishment fund has been held at £30,000 and this will be transferred to general funds, to pay for the refurbishment of the new tearoom at 53 Micklegate, in 2017/18.

The advice and information (formally welfare and benefits) fund has been held at £40,000 reflecting the cost of this valuable service provided personally at the home of the less mobile members of the community.

Overall the organisation's unrestricted fund of £113,208 consists primarily of the unspent accumulated profit from the charity shop. This sum represents roundly 5 months normal running costs, which is almost in line with the Charity Commissions recommendations.

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 2017 (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 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.

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.

The position of office apprentice has been removed with the person, having completed her training, moving to another role in the organisation. A new temporary post of Community Navigator Co-ordinator was created to handle the work arising from the District Funded project of signposting clients to services available.

External Partnership

Age UK Selby District works with many other voluntary and statutory organisations to promote the welfare of older people living locally. Our links with our sister Age UK organisations within North Yorkshire through the REACT cooperative continue to strengthen. The county wide contract for a Home from Hospital service, coordinated by Age UK Knaresbrough as the lead organisation, awarded by North Yorkshire County Council, has shown increased numbers taking advantage of the service and has also demonstrated the ability of the five independent Age UK organisations in North Yorkshire to work together to deliver a unified contract. A joint bid with Selby DIAL was successful in obtaining the year-long contract from Selby District Council for the Community Navigator scheme.

Charity Shop

The shop continues to be our main source of unrestricted funds. Shop takings further fell by 8% (£3,400) to £39,300 reflecting a lower footfall into the shop and forced closure to replace the shop frontage and door following a car accident.

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. The current financial support received from NYCC, as part of advice and information, is to continue into 2017/18. One of the posts now offers advice to elderly clients on how to use computers funded by the Connect U grant.

Age UK Selby District

Report of the Trustees for the year ended 31 March 2017 (Contd)

Rural Social Centres

The two day centres run at Drax Power Station Sports and Social Club continue to be well supported. The Selby centre previously run in the rear room at the Tearoom, and now relocated, is growing in popularity.

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.

A brand new minibus was received via NYCC, through a Government backed scheme, at no cost.

Home Support

This expanding Social Enterprise activity is meeting a need not previously recognised in Selby District. Workload has steadily increased during the year with staff numbers rising to eight (including a relief position) to match the demand. While much of the work relates to cleaning, shopping is undertaken for the housebound while a limited gardening service is also provided. 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

This service, which is provided by a volunteer and overseen by a services co-ordinator, proves to be very popular with those clients who look forward to their weekly chat. The service is currently funded by North Yorkshire County Council.

Wheelchair Loan

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

Financial Review

The organisation benefited from receiving a new mini bus worth £62,023. Without this windfall the annual accounts would have shown a surplus only of £4,743. Overall, net current assets reduced by £87,715 principally due to using £90,000 of cash to part fund the purchase of 53 Micklegate.

Income for the year rose to £288,069, excluding the value of the new minibus, and represents an increase of 17% after stripping out the legacy received last year. Income from contracts (£77,156) and grants (£96,217) now account for 49.5% of the total while service users, including the growing social enterprise work, now contribute income of £112,946 which is 32.2% of total. Income from shop takings, now excluding the tearoom, fell to £39,306 accounting for 7.9% of the total.

Expenditure for the year was £284,640 with staff costs (£213,213) now accounting for 74.9% of the total. Cash in the bank fell by £87,101 to £213,224 which equates to 29.0% but, bearing in mind that £90,000 was used towards the purchase of the building this equates to an increase of £2,899 from other activities. Cash now only equates to 35.2% of the balance sheet value, down from 55.7% last year. At a time of increasing austerity and particularly with the uncertainty regarding the level of contract income from NYCC from September 2018, it is comforting to know the organisation has this safety net to allow any service adjustments arising from any financial changes to be done in a measured, thoughtful and compassionate way without any undue haste.

Age UK Selby District

Report of the Trustees for the year ended 31 March 2017 (Contd)

Financial Review (cont..)

The charity shop continued to trade profitability despite income falling by 9.7% to £41,161 (excluding the insurance payment). With costs rising by 4.8% to £26,960 (excluding £10,887 cost of accident damage) the net profit of £14,201 fell by £2,876 (17%). This reflects the loss due to the enforced closure due to the motor accident and reduced footfall into the shop.

The unrestricted reserves of £113,208 represent 5 months expenditure of the organisation including the charity shop. This is below the six months 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.

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 rolled on for longer than expected – was up for review, set off on a path of reducing its reliance on public finance 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.

It was agreed that an experienced firm of consultants, Acton Jennings, 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.

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.

Age UK Selby District

Report of the Trustees for the year ended 31 March 2017 (Contd)

Statement of Trustees Responsibilities (cont..)

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 24 October 2017 and signed on its behalf by:

R H Drew
Vice Chair

Age UK Selby District

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

I report on the financial statements of the Trust for the year ended 31 March 2017 which are set out on pages 8 to 22.

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.

Respective Responsibilities of the Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the 2011 Act") or under Part 16 of the Companies Act 2006, and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- Examine the financial statements under section 145 of the 2011 Act;
- To follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006 and section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Companies Act 2006, the 2011 Act and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (amended February 2016);have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Laura Masheder FCA DChA

27 October 2017

Garbutt & Elliott LLP
Chartered Accountants

Arabesque House
Monks Cross Drive
York
YO32 9GW

Age UK Selby District

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2017

Notes	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Designated Funds £	2017 Total Funds £	2016 Unrestricted Funds £	2016 Restricted Funds £	2016 Designated Funds £	2016 Total Funds £
Income from:								
<u>Donations and legacies</u>								
Donations	5,452	137	-	5,589	3,052	60	300	3,412
Legacies	-	-	-	-	33,217	-	-	33,217
Grants	19,864	76,353	-	96,217	21,108	1,000	700	22,808
<u>Charitable activities</u>								
Contracts	-	53,613	23,543	77,156	-	41,097	20,000	61,097
Service users	2,253	110,693	-	112,946	216	106,035	-	106,251
<u>Other trading activities</u>								
Retail takings – sale of donated goods	39,306	-	-	39,306	42,707	-	-	42,707
Fundraising activities	1,855	-	-	1,855	2,885	-	-	2,885
<u>Investments</u>								
Bank interest	2,518	-	-	2,518	2,592	-	-	2,592
Dividends	375	-	-	375	663	-	-	663
<u>Other income</u>								
Sundry	13,817	313	-	14,130	3,521	-	-	3,521
Total income	85,440	241,109	23,543	350,092	109,961	148,192	21,000	279,153

Age UK Selby District

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2017 (cont..)

	Notes	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Designated Funds £	2017 Total Funds £	2016 Unrestricted Funds £	2016 Restricted Funds £	2016 Designated Funds £	2016 Total Funds £
Expenditure on:									
<u>Expenditure on raising funds</u>	4								
Charity shop		36,785	-	-	36,785	24,303	-	-	24,303
Fundraising expenses		1,062	-	-	1,062	1,429	-	-	1,429
<u>Expenditure on charitable activities</u>	5								
Mini day centres		-	48,152	-	48,152	-	51,427	-	51,427
Shopping services		-	17,014	-	17,014	-	19,677	-	19,677
Community fund		-	16,313	-	16,313	-	-	-	-
Information and advice		-	-	32,240	32,240	-	-	27,927	27,927
Social enterprise		-	121,550	-	121,550	-	127,192	-	127,192
Connect you		-	7,515	-	7,515	-	-	-	-
Telephone befriending		-	4,009	-	4,009	-	4,072	-	4,072
Total expenditure		37,847	214,553	32,240	284,640	25,732	202,368	27,927	256,027
Net income/(expenditure) before gains/(losses) on investments		47,593	26,556	(8,697)	65,452	84,229	(54,176)	(6,927)	23,126
Gain/(loss) on revaluation of investments		1,314	-	-	1,314	(120)	-	-	(120)
Net income/(expenditure) before transfers		48,907	26,556	(8,697)	66,766	84,109	(54,176)	(6,927)	23,006
Transfers between funds		(111,610)	37,913	73,697	-	(48,326)	41,399	6,927	-
Net movement in funds for the year		(62,703)	64,469	65,000	66,766	35,783	(12,777)	-	23,006
Total funds brought forward		175,911	156,050	207,000	538,961	140,128	168,827	207,000	515,955
Total funds carried forward		113,208	220,519	272,000	605,727	175,911	156,050	207,000	538,961

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 11 to 22 form part of these financial statements.

Age UK Selby District

Balance Sheet as at 31 March 2017

		2017		2016	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		276,563		215,943
Investment property	10		190,000		-
Investments	11		8,809		7,494
Current assets					
Debtors	12	20,032		20,708	
Investments – cash deposits		-		75,145	
Cash at bank and in hand		213,224		225,180	
		233,256		321,033	
Creditors: amounts falling due within one year	13	5,447		5,509	
Net current assets			227,809		315,524
Total assets less current liabilities			703,181		
Creditors: amounts falling due after one year	14		(97,454)		-
Total assets less total liabilities			605,727		538,961
Represented by:					
Restricted funds	16		220,519		156,050
Designated funds	17		272,000		207,000
Unrestricted funds			113,208		175,911
	19		605,727		538,961

For the financial year ended 31 March 2017 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 24 October 2017 and signed on their behalf by:-

R Procter
Trustee

M J Meanwell
Trustee

Company Registration Number: 07428157

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017

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 2015) (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. Thus they 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.

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.

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.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

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	2% Straight line
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.

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.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

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 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 depreciated at cost less estimated residual value over its estimated useful economic life of 50 years. 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.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

4. Expenditure on raising funds

	Salaries	Support costs	Depreciation	Total funds 2017	Total funds 2016
	£	£	£	£	£
Charity shop	21,198	15,587	-	36,785	24,303
Fundraising expenses	-	685	377	1,062	1,429
	21,198	16,272	377	37,847	25,732

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

	Salaries	Support costs	Depreciation	Total funds 2017	Total funds 2016
	£	£	£	£	£
Mini day centres	32,450	13,764	1,938	48,152	51,427
Shopping services	6,773	10,241	-	17,014	19,677
Welfare benefit information	27,440	4,780	20	32,240	27,927
Social enterprise	105,995	14,640	915	121,550	127,192
Telephone befriending	3,941	68	-	4,009	4,072
Community fund	11,034	5,279	-	16,313	-
Connect you	4,382	2,948	185	7,515	-
	192,015	51,720	3,058	246,793	230,295

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.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017(Cont..)

6. Support costs

	Unrestricted	Restricted	Designated	Total funds 2017	Total funds 2016
	£	£	£	£	£
Rent	-	834	834	1,668	1,668
Light and heat	700	2,889	-	3,589	4,342
Publicity and recruitment	-	369	-	369	120
Repairs and maintenance	10,887	5,766	2,416	19,069	14,550
Insurance, licences and subscriptions	536	4,155	15	4,706	4,754
Telephone	-	2,430	-	2,430	1,590
Stationery and postage	90	5,123	209	5,422	4,451
Sundry expenses	55	654	-	709	501
Staff training and uniform	50	725	18	793	339
Volunteer expenses	162	1,336	-	1,498	1,913
Food and material purchases	378	7,884	-	8,262	8,922
Transport costs	-	6,311	-	6,311	5,817
Room hire and refurbishments	1,311	1,826	1,666	4,803	5,834
Reimbursements	-	3,022	-	3,022	5,632
Governance costs	2,103	2,806	432	5,341	4,537
	16,272	46,130	5,590	67,992	64,970

In the comparative year ended 31 March 2016 support cost allocated to designated, unrestricted and restricted funds totalled £834, £7,876 and £56,260 respectively.

7. Net income for the year

	2017 £	2016 £
The net income for the year is stated after charging:		
Independent Examiner's fee	500	500
Accountancy fee paid to the Examiner	1,600	1,666

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017(Cont..)

8. Employment costs

	2017 £	2016 £
Staff costs comprise:		
Wages and salaries	189,391	174,065
Employer's national insurance	8,223	5,491
Staff expenses	15,599	9,938
	213,213	189,494

The Charity had 25 (2016 – 20) employees during the year.

No employee received remuneration in excess of £60,000 (2016 – no employee).

One Trustee received volunteer allowances of £64 (2016 - £610) for minibus driving during the year, however the trustees donated this back to the charity. 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 £
Cost				
At 1 April 2016	212,000	23,852	13,044	248,896
Additions	-	62,023	2,032	64,055
As at 31 March 2017	212,000	85,875	15,076	312,951
Depreciation				
At 1 April 2016	-	23,852	9,101	32,953
Charge in the year	-	1,938	1,497	3,435
As at 31 March 2017	-	25,790	10,598	36,388
Net book value				
At 31 March 2017	212,000	60,085	4,478	276,563
At 31 March 2016	212,000	-	3,943	215,943

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

10. Investment property

	Freehold land & buildings £
Cost	
Additions	190,000
As at 31 March 2017	190,000
Depreciation	
Charge in the year	-
As at 31 March 2017	-
Net book value	
At 31 March 2017	190,000

The investment building was purchased at a market value of £190,000 on the 31 March 2017. The Trustees have 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

	2017 £	2016 £
Market value at 1 April 2016	7,394	7,515
Additions	-	519
Disposals	-	(829)
		7,205
Unrealised and realised investment gains	1,315	189
Market value at 31 March 2017	8,709	7,394
Investment in subsidiary undertaking		
Age UK Selby (Trading) Limited	100	100
Total investments	8,809	7,494

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

11. Investments (cont..)

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

	2017 £	2016 £
Turnover	31,335	37,036
Cost of sales	(5,358)	(7,049)
Gross profit	25,977	29,987
Administrative expenses	(30,809)	(28,825)
Gift Aid to the Charity	-	(1,162)
Retained profit	(4,832)	-
The aggregate of the assets, liabilities and funds was:		
Assets	6,293	17,640
Liabilities and provisions	(11,025)	(17,540)
Shareholder's funds	(4,732)	100

12. Debtors

	2017 £	2016 £
Amount owed by subsidiary undertaking	10,000	16,162
Prepayments and accrued income	10,032	4,546
	20,032	20,708

13. Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals and other creditors	2,901	5,509
Bank loan	2,546	-
	5,447	5,509

The bank loan is secured and disclosed in note 12 to the financial statements.

14. Creditors: amounts falling due over one year

	2017 £	2016 £
Bank loan	97,454	-

The bank loan is secured against the freehold property at 53 Micklegate, Selby. The loan is repayable by monthly instalments of £720 over 120 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 accounts for the year ended 31 March 2017 (Cont..)

15. Financial instruments

	2017 £	2016 £
Carrying amount of financial assets:		
Financial assets carried at amortised cost	230,725	317,597
Debt instruments carried at amortised cost	100	100
Financial assets at fair value	198,709	7,394
	429,534	325,091

Carrying amount of financial liabilities:		
Financial liabilities measured at amortised cost	102,901	5,509

16. Restricted funds

For the year ended 31 March 2017	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
Day centres	13,239	41,403	(46,214)	-	8,428
DDS shopping	10,274	20,196	(17,014)	-	13,456
50 Micklegate, Selby	125,000	-	-	-	125,000
Mini bus		62,023	(1,938)	-	60,085
Social enterprise	-	83,637	(121,550)	37,913	-
Telephone befriending	7,537	3,375	(4,009)	-	6,903
Community fund	-	16,418	(16,313)	-	105
Connecting you	-	14,057	(7,515)	-	6,542
	156,050	241,109	(214,553)	37,913	220,519

For the year ended 31 March 2016	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2016 £
Day centres	27,992	36,674	(51,427)	-	13,239
DDS shopping	8,726	21,225	(19,677)	-	10,274
50 Micklegate, Selby	125,000	-	-	-	125,000
Social enterprise	-	85,793	(127,192)	41,399	-
Telephone befriending	7,109	4,500	(4,072)	-	7,537
	168,827	148,192	(202,368)	41,399	156,050

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. The day centre for Selby and the surrounding villages, previously operated from the room behind the Bridge View Tearoom, has moved to an inn in Barlby following the closure of the tearoom. These centres are currently partly funded by NYCC with the new contract having been awarded until September 2018.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

16. Restricted funds (cont...)

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.

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 Minibus

The NYCC provided funding for the purchase of the Minibus which is specially adapted for the handling of shopping bags purchased during the year.

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

While NYCC would no longer support visiting clients the Council was keen to see the telephone befriending scheme extended. This activity is lead by one of the service coordinators who oversees the volunteer contacting the clients.

Community Navigator

This Selby District funded project was a joint scheme with Selby Dial and involved sign posting clients to the various service providers in the district.

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.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

17. Designated funds

For the year ended 31 March 2017	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
50 Micklegate, Selby	87,000	-	-	-	87,000
53 Micklegate, Selby	-	-	-	90,000	90,000
Refurbishment	30,000	-	-	-	30,000
Information and advice	40,000	23,542	(32,239)	8,697	40,000
Minibus replacement fund	50,000	-	-	(25,000)	25,000
	207,000	23,542	(32,239)	73,697	272,000

For the year ended 31 March 2016	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2016 £
50 Micklegate, Selby	87,000	-	-	-	87,000
Refurbishment	30,000	-	-	-	30,000
Information and advice	40,000	21,000	(27,927)	6,927	40,000
Minibus replacement fund	50,000	-	-	-	50,000
	207,000	21,000	(27,927)	6,927	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 of this property. The new property allowed relocation of the tea room services to the more central and accessible premises. The total cost of the property was £190,000 and the remaining balance of £100,000 has been funded by a long term bank loan.

Refurbishment

This fund has been held at £30,000 and will be used in 2017/18 to pay for the creation of the new tea room in 53 Micklegate.

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. It is normally primarily funded from the organisation's reserves generated from the charity shop's profits but currently is again supported by NYCC in the new contract which is up for review at the end of 2017/18.

Minibus fund

The fund has been reduced by 50% to £25,000 on the assumption that match funding will be available to replace the second minibus which continues to need repairs.

Age UK Selby District

Notes to the accounts for the year ended 31 March 2017 (Cont..)

18. Financial commitments

At 31 March 2017 the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Land and buildings £	Other £	2017 Total £	2016 Total £
Less than one year	497	-	497	5,426
2-5 years	-	-	-	4,766
	497	-	497	10,192

19. Analysis of net assets between funds

Fund balances at 31 March 2017 represented by:	Unrestricted £	Restricted £	Designated £	Total 2017 £	Total 2016 £
Tangible fixed assets	2,962	186,526	277,075	466,563	215,943
Investments	8,809	-	-	8,809	7,494
Current assets	102,595	35,505	95,156	233,256	321,033
Current liabilities	(1,158)	(1,512)	(100,231)	(102,901)	(5,509)
Total net assets	113,208	220,519	272,000	605,727	538,961

Fund balances at 31 March 2016 represented by:	Unrestricted £	Restricted £	Designated £	Total 2016 £	Total 2015 £
Tangible fixed assets	2,663	126,280	87,000	215,943	215,546
Investments	7,494	-	-	7,494	7,514
Current assets	170,965	30,060	120,008	321,033	297,178
Current liabilities	(5,211)	(290)	(8)	(5,509)	(4,283)
Total net assets	175,911	156,050	207,000	538,961	515,955

20. Capital commitments

At 31 March 2017 there were no capital commitments (2016 - £nil).

21. Related party transactions

Included within other debtors at the year end is a short term loan of £10,000 (2016 - £15,000) owed from Age UK (Trading) Limited a subsidiary undertaking. The loan is interest free and repayable upon demand. Age UK (Trading) Limited gifted profits of £nil (2016 - £1,162) to Age UK Selby District, under declaration of gift aid.

At the balance sheet date £10,000 (2016 - £16,162) was included in debtors as amounts owed by subsidiary undertaking.