

REGISTERED COMPANY NUMBER: 06717361 (England and Wales)
REGISTERED CHARITY NUMBER: 1129973

Age Concern Morgannwg Limited
(A Company Limited by Guarantee)
trading as
Age Connects Morgannwg

Annual Report and
Group Financial Statements
Year ended 31 March 2019

Age Concern Morgannwg Limited
Contents of the Financial Statements
for the year ended 31 March 2019

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I. TRUSTEES STATEMENT

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiary for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

2. CHAIRMAN'S STATEMENT

Introduction

Last year, I reported on our successful bid to the Big Lottery to develop the Cynon Linc Project. This is a significant capital project that has stretched and tested our knowledge and understanding of capital projects, of asset transfer and of the day to day challenges of running a large and busy community centre but we are very proud that we have seen an increase in numbers attending the centre for lunch and groups using the community space to meet, socialise and learn. Finding the £1.6m required for this project continued throughout 2018/19 and I am delighted to report that during the period, we raised an additional £798k grant (over 2018/19/20) from Welsh Government via their Integrated Care Fund Capital Programme. I would like to extend my thanks to those involved in securing the match funding required to deliver our vision of integrated health, social care and community support.

This year's Trustees Report contains various facts and figures about the Charity's performance and work throughout the year and I hope it illustrates how the Charity has worked extremely hard to deliver its strategic priorities, promote volunteering, develop our social enterprise and increase our sustainability. As a charity we pride ourselves in working in collaboration with our many partners. Once again, we found ourselves having to have honest conversations and make tough decisions about delivering services with inadequate funding. We have committed to being a Living Wage Employer and during the year we have experienced stand still budgets for services which have not only increased in cost but also demand. As a Board we recognise that we cannot be all things to all people and that our limited resources can only stretch so far. We are clear that we will not continue to deliver contracts that do not meet our full delivery costs and that continuing to subsidise service level agreements only adds to the challenges of short-term or annual funding arrangements. The Charity will, to a certain extent, always be at risk of cuts to funding and contracts and this is why we must endeavour to find new, sustainable means of supporting our work. As we look to the future and develop our strategic priorities for the next three years, we will take stock of the political and economic environment to determine how continued austerity, Brexit and the Welsh Government's Transformation Agenda will affect older people. The Charity's ability to understand the changing needs and aspirations of older people against this backdrop will help determine our vision for the future.

Once again, our Customer Advisers have had a huge impact on the lives of thousands of older people, helping to raise over **£1,419,362.20** in welfare benefits that help older people and their carers make ends meet. This is an amazing sum of money that makes a huge difference to older people and contributes to our local economy. Our Community Support team continued to adapt, develop and respond to new joint working opportunities that not only improved the lives of older people but also made an impact on the way health and social care services are delivered. This report tells some of the stories we have been involved in, and how we have made a difference.

We have continued to work with third sector partners to develop Social Value Networks in Cwm Taf (RCT and Merthyr Tydfil) and latterly, in Bridgend. The Social Services and Well Being Act requires all Regional Partnership Boards to create and support Social Value Networks so that local service providers, community groups and social enterprises can make a tangible contribution to the transformation required in health and social care services and encourage greater investment and support for an asset based approach to developing healthier, more active communities. This partnership work has been strengthened by the role of our Chief Executive as Chair of the Cwm Taf Morgannwg Regional Partnership Board.

Throughout the year the Charity has continued to do what it does best – support older people. The depth and breadth of our work described in this report demonstrates the impact and reach we have on the lives of older people. This is ultimately, why the Charity exists. A key role and charitable objective of the charity is to act as a champion for older people's rights and to influence local and national policy relating to older people. During the year we responded to a consultation exercise regarding the provision of residential care and day care services in Rhondda Cynon Taf. We contributed in two ways; first, as a charity concerned with the impact that proposals made regarding the future of council services and secondly; as an independent advocacy service, commissioned to ensure that older people who may be potentially affected by the outcome of the consultation, were able to uphold their rights and that their views and wishes were listened to and respected. We await the outcome of the consultation exercise, which should be known during 2019/20.

One of our plans during the year was to strengthen the Board of Trustees and it gives me great pleasure to welcome four new members to the Charity Board of non-executive Directors. Between them they bring skills in IT, social care, nursing, business development and partnership management. I am also pleased to announce that in May 2019, we also appointed a new Director to the Age Connects Morgannwg Trading Board, an addition I know will lead and support our ambitions to develop more income generating opportunities through the sale of products and services designed for our client group.

Sadly, on 30 March 2019 we lost our dear friend and long-serving Trustee, Ruth Hopkins, following her battle with cancer. Ruth had served the community of Rhondda Cynon Taf for many years, first as a local authority employee and then as the Director of Interlink, before retiring and taking up her role as Trustee with Age Connects and latterly serving as Vice Chair. Ruth was passionate about opportunity, equality and social justice and this was reflected in her other voluntary activities as a Trustee and Vice Chair at RCT Women's Aid and at SureStart. During her long association with Age Connects Morgannwg Ruth offered a wealth of expertise, experience and challenge that helped steer the charity through difficult and uncharted waters. Her contribution, kindness, compassion and friendship will be sorely missed and we would like to acknowledge the donation made by her family to the charity from donations in lieu of funeral flowers.

I would like to take this opportunity to thank Rachel Rowlands, our Chief Executive. As a charity, we are extremely lucky to have such an innovative CEO and a staff team who have a passion for the work we do to support older people, their families and carers. I extend my thanks to the whole of the staff team who have worked so hard through a year that has seen us move offices, launch the Cynon Linc project and continue to deliver the services that older people in our area rely on. They are indeed a resilient team. I would also like to say a special thank you to the many volunteers who support the charity. Both the staff and volunteers make Age Connects Morgannwg the success it is and enable us to continue supporting older people to remain independent for as long as possible.

Finally, I wish to thank my Co-Trustees for their hard work and ongoing support. By strengthening our board of trustees this year and beginning to develop our trading board further I feel we are better equipped to cope with all that will come our way in the forthcoming year. Governance reviews are essential in ensuring we have a board of trustees that continue to be fit for purpose to have the skills and determination to move the charity forward.

This year has been an interesting year and I have no doubt that 2019-20 will be equally as exciting. I look forward to working with you all in the coming year.

.....
Colette Colman – Trustee and Chair of the Board

Date:

3. OBJECTIVES AND ACTIVITIES

Vision & Mission Statement

Our Vision is that people live in a society where older people are respected and enabled to meet their aspirations.

Our Mission is to make a difference to the quality of life of older people and promote a positive view of ageing.

Our Organisational Objectives are set out in our governing document (Constitution) and define the object of the Charity as:

To promote the relief of elderly people in any manner which now hereafter may be deemed by law to be charitable in and around the County Borough Councils of Bridgend, Merthyr Tydfil, Rhondda Cynon Taff.

To achieve this, the Charity is committed to developing and promoting itself via the following methods:

- Service and Support
- Public education and advocacy
- Innovation and research
- Partnership and co-operation

In shaping our objectives, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Objectives and activities- main activities undertaken to further the Charity's purposes

Charitable Activity	Objectives
Information and Advice including the Welfare Benefits Service	Provide direct information and support to older people who are experiencing unfamiliar scenarios or problems. Provide independent, accurate and up to date information on benefit entitlements to enable older people to maximise their income.
<u>Participation and Inclusion</u> 50+ Forums The Reaching Out Programme	To encourage and support older people and older people's groups to get involved in local issues, influence policy development and improve the quality of services for older people generally. The Reaching Out Programme will deliver our strategic commitments to increase and improve our volunteer workforce, and strengthen the charity's profile and position as the local champion for older people by getting involved in more campaigning, influencing, and research and development work.

3. OBJECTIVES AND ACTIVITIES - continued

Charitable Activity	Objectives
Business Development	Maintain sufficient income to support the activities that we believe make a difference to people's lives. Raise independent, unrestricted income to further the objectives of the Charity.
advantAge Trading	Provide opportunities and products that meet the needs of people over 50 in a manner that enhances the reputation of Age Connects and provides a sustainable income for its charitable activities.
Partnership Management	Participate in networks and joint working ventures between statutory and voluntary sector organisations to meet the needs of older people in Rhondda Cynon Taff, Bridgend and Merthyr Tydfil. Involve trustees and key staff in a number of networks that provide representation of the Charity's interests provides input to service developments and ensures the views of older people are represented.

Public Benefit

The trustees have reviewed the Charity Commission's guidance on public benefit, and agreed that they meet the requirements set out therein, due to its achievement under the Objectives and Activities section.

4. ACHIEVEMENTS AND PERFORMANCE

Service Achievements

Independent Information and Advice

Across the organisation, we supported **7,576 people** to access independent information, advice and support that improved their quality of life, helped them regain their independence or gave them a stronger voice. Our staff handled a total of **1,534** cases relating to welfare, access to products and services, social care and legal issues. From our main office in Pontypridd, and at Cynon Linc, we seek to deliver the highest quality information, advice and signposting to anyone who contacts the Charity. Our Information and advice service hold the **Advice Services Quality Mark** at general help level.

Income Maximisation

During the reporting period we have helped raise **£1,419,362.20** in welfare benefits for older people. Each year, millions of pounds of benefits go unclaimed by older people. All our services assist in claiming benefits such as *Pension Credit, Attendance allowance, Council Tax Benefit and Personal Independence Payment*. **The majority of enquiries dealt with by Our Information And Advice Team** are about accessing welfare benefits. Our records show that 71% of all enquiries handled by our Information Services team related to Welfare Benefits or financial stress (an increase of 14% on last financial year).

Case Study:

ACM supported Mr C to access the correct benefits, after learning that he was on the wrong type of benefit, resulting in him receiving far less than he was entitled to. Due to his learning difficulties, Mr C needed a lot of support to complete the medical assessments required by the DWP and to ensure he would understand the questions and outcome. As a result of ACM's support Mr C's income doubled, meaning he was able to live a much more comfortable and independent life. Mr C still comes to the office every so often and tells us that he feels much happier now because he doesn't have to keep visiting the job centre and he worries far less.

4. ACHIEVEMENTS AND PERFORMANCE - continued

Community Outreach Services

Independent Advocacy Service (Rhondda Cynon Taf)

Our advocates provide a voice for older people by listening to their views and concerns, helping people explore their options and rights, and by providing people with information to make a more informed decision. During the period our Advocates supported 125 clients with the majority of referrals made for representation of client at best interest meetings, followed by care issues in the home. 8% of our clients were referred for possible financial abuse.

Hospital Discharge Service – Available in the counties of RCT, Merthyr Tydfil and Bridgend, the service provides practical, emotional and liaison support to older people on discharge from hospital. The service assisted 816 people and provided over 2840 visits, resulting in 3335 hours of support for older people in their own homes.

Case Study:

ACM supported Mrs C following her discharge from hospital. Mrs C was sent to live with her daughter, having previously lived independently and was very apprehensive about the move. She had lived in her home for 60 years and didn't want to be a burden to her daughter and her family. ACM supported Mrs C emotionally to make the adjustment and then later, with securing a new flat in a Sheltered Accommodation complex. This second move was also difficult for Mrs C but with ACM's support she settled in to her new surroundings and after being accompanied to the local shops and to attend activities in the communal lounge, Mrs C felt ready to attend on her own and started to build friendships with her neighbours. Mrs C told us that making new friends was not something she ever thought she could do and that even though she missed her home in Cardiff, she is now able to look back on it with fond memories.

Hospital Based Support Services

Cwm Taf Better at Home Pilot Projects

The service assists with patient flow through emergency and unscheduled care departments at Prince Charles Hospital (PCH) and Royal Glamorgan Hospital (RGH). This project was developed in partnership with Cwm Taf University UHB and a range of clinical and operational staff, all of whom continue to be involved in the project delivery, development and evaluation. The project is now closely aligned with the Stay Well @ Home Teams based at each site and has proved an invaluable component of the discharge planning process.

The service supported 1,413 older people to return home after their visit to A&E or a hospital stay if they had no other means of support to return home safely. Age Connects Morgannwg works with other organizations and signposts people on, helping them receive follow up support from any relevant health and social care service. During the period the service has been developed to include staff being based within the hospital from 10am – 8pm with on-call cover at weekends and most Bank Holidays.

Bridgend Hospital Discharge Support Service – This service has developed since its inception in October 2010, both in terms of demand and provision. The service is provided by staff based within the hospital from 10am – 8pm with on-call cover at weekends and most Bank Holidays. The service supported 635 older people to return home after their visit to A&E or a hospital stay if they had no other means of support to return home safely.

As a result of all our services within the three General Hospitals listed above, we have supported 2048 patients to be supported home following a visit to the Emergency Department or the Clinical Decision Unit that might otherwise have ended up in a hospital bed. A further 290 were given advice or emotional support on site. Of the patients taken home, the majority of referrals were people over the age of 80 and lived alone.

4. ACHIEVEMENTS AND PERFORMANCE - continued

Due to our position within the hospital, we can respond quickly to referrals with the average response time being 30 minutes from referral to the patient leaving the hospital. This means that beneficiaries are not 'taken off their feet' for too long, thus preventing deconditioning and risk of further deterioration. Feedback from patients and staff has been very positive in terms of the improved patient experience, support and reassurance they get from ACM staff. Feedback from staff has highlighted the benefits to patient flow, speeding up discharge and the flow between departments and wards. Using a conservative average of one bed day saved for every patient taken home, we estimate this has resulted in 2,048 bed days saved over the year. Providing alternative transport to an Ambulance has also freed up the Ambulance service to focus its capacity where most appropriate.

Primary Care & Dementia Service – Delivered in RCT and Merthyr Tydfil, the aim of this service is to reduce the risk of hospital admission or premature entry to residential care for people who are struggling physically or mentally to live safely and/or independently in their own home. This service received 15 referrals during the year and carried out 339 visits, delivering 386 hours of support.

Supporting People Service – Merthyr Tydfil – This contract ended in March 2018. Our decision to withdraw from this contract was because the funder had indicated a further reduction to the contract value. After review, we concluded that we could not deliver the level of support they expected within the contract value. We worked in collaboration with Merthyr Tydfil County Borough Council to ensure the last remaining clients were given new support services via partner providers, Merthyr Housing and Gofal and that disruption to service users was kept to an absolute minimum.


Participation, Engagement and Partnership Work

RCT 50+ Forums – providing support and guidance to established forums of older people so they may play an active role in their communities. The five forums currently have **314** members and are supported by the Chief Executive and an Age Connects Morgannwg volunteer. The Forums have developed as consultative forum and campaigners who are actively involved in helping shape local and national government policy and service provision.

Reaching Out Programme - The Reaching Out Programme is funded through public donations and grant making trusts to deliver our strategic commitments to increase and improve our volunteer workforce and community engagement. In doing so, it strengthens the charity's profile and position as the local champion for older people by getting involved in more campaigning, influencing, research and development work. Our Reaching Out Programme Co-ordinator has recruited 6 volunteers between April 2018 and March 2019. We provided **1470** calls to people on our telephone befriending support along with over **900** home visits supporting people on a one to one basis.

Social Enterprise Activity

Age Connects Morgannwg has been involved in social enterprise activity for over 15 years and recognises the importance of generating unrestricted income to support the work of the Charity and contribute to a sustainable future. Creating and sustaining commercial activities is challenging and often slow to grow at a sufficient rate to make a significant contribution to the Charity's finances. It is particularly challenging for charities who traditionally provide services free of charge, to introduce paid for services into the list of services offered. We are, however, absolutely committed to ensuring that we offer a mix of solutions that meet the needs of older people and which generate unrestricted income to support the Charity's objectives.

We continued to promote  products and services, resulting in **12** sales that generated a commission income of **£295** to support the work of the Charity.

SupportPlus - The service is run in Rhondda Cynon Taff area. Support Plus offers a range of support services such as shopping, cleaning, laundry escorting outdoors and sitting service. All services are charged at a competitive rate and are delivered by fully trained support workers. This year we helped **2** customers which generated an income of **£287**.

4. ACHIEVEMENTS AND PERFORMANCE - continued

Nail Cutting - This service has seen steady but consistent growth over the year, generating income of **£47,149**. Described as a new lease of life by some customers, the nail-cutting service has helped thousands of older people keep their toenails neat and enjoy pain free walking.

Cynon Linc

2018-19 was a busy year for the Cynon Linc project. In August 2018 Age Connects Morgannwg took over responsibility for operating the old St Mair's centre under a tenancy@will with the formal lease being agreed and signed with Rhondda Cynon Taff County Borough Council (RCTCBC) in November 2018. We were proud to be one of the most significant community asset transfers as part of the RCT Together programme.

Operational Achievements

From August 2018 to March 2019 the following services were delivered at Cynon Linc:

Lunches served during this period	6124
Group sessions held during this period	338
One off events during this period	9
Information and Advice Full Day sessions held (these started in November 2019)	20
Average number of people per month supported through Information and advice appointments	35
Average number of people per month supported/signposted by the Cynon Linc Hub Officer	36

Given that the capital works had not yet started these outcomes were a major achievement in not only ensuring continuity of the services previously run by RCTCBC but increasing attendance and diversity of activities delivered. Everyone of all ages were welcomed into the new Cynon Linc.

We would not have been able to achieve these outcomes without the pump priming revenue funding provided by both Pen Y Cymoedd and the Big Lottery Fund. This has allowed us to operate while we grow our income generating capacity.

Capital Programme

Since the recruitment of a Project Manager in May 2018 several decisions were taken in relation to the plans for the renovation works. Most significantly the decision not to proceed with the basic scheme B but to secure funding to deliver a fully comprehensive scheme A. This scheme not only delivers the first floor office space for ACM but provides the comfort of ensuring that longer term maintenance and running costs are reduced.

An additional £698,000 was secured from Welsh Government ICF Capital fund to add to the £800,000 capital secured from the Big Lottery Fund and £100,000 from the Dunhill Medical Trust. The total budget for the capital element of the Cynon Linc project now stands at £1,598,000.

Formal appointment of the Professional Team took place in November 2018 with instruction to proceed with preparing the detailed design and tender documentation. It is anticipated that work will start on site in September 2019 with a final practical completion of all the works in July 2020.

Partners

Working with other organisations to enhance the services being delivered by ACM is a key aspect of the Cynon Linc project. The agreements to under lease to both Fern Partnership and Maendy Place GP surgery are near completion. We now also have an agreement with the local branch of Cruse Bereavement Care to relocate their office to Cynon Linc. We are very much looking forward to working closely with these and many other organisations to meet the needs of the community of Aberdare.

4. ACHIEVEMENTS AND PERFORMANCE - continued

Next Steps

In 2019-20 the emphasis will shift to the building works and set up of the new operations, with an anticipated opening of a first phase, café and kitchen in January 2020.

Cynon Linc Marketing

We have recruited a Communications Officer to build on our marketing and work on developing a communications strategy for Cynon Linc. There will be a plan of various outlets to promote Cynon Linc and different marketing materials to use to do so.

We have developed a new Cynon Linc logo and branding which is ready to be launched in the next few months. We are currently developing a new website so this will be launched after the branding ready for the opening of the new café in the new year.

We still believe that personal stories are an extremely effective way of communicating issues so our new Communications Officer is building a bank of case studies so we have a variety available to use.

Our social media is live and we are continuing to build followers and awareness of the community hub before and after our official launch. We will be starting filming of our ACM/ Cynon Linc film which will be made by a Media Production Company to promote the charity and the community Hub and how they help.

4. ACHIEVEMENTS AND PERFORMANCE – continued

Planned activity for 2019 - 20

Fundraising

We continue to develop and promote ways in which groups and individuals can fundraise for us through undertaking challenges such as sponsored events. We are working on a promotional video focusing on fundraising ideas and how community fundraisers can get involved.

A total of **£12,152.40** was raised through fundraising events and corporate sponsorship during 2018/19. This included 8 volunteers running the Cardiff Half Marathon 8 and raising £3,629. A team from Doc Bright rode the Carten 100 mile cycle ride from Cardif to Tenby, raising £366.08 and three intrepid climbers completed the Ten y Fan challenge, where £976.62 was raised. Our sincere thanks to all those who supported us with these amazing efforts.

We hosted a Golf Day at Bryn Meadows, aimed at increasing our relationships with businesses, and raised £1,197.

Corporate Sponsorship

Our relationship with corporate supporters is strengthening, particularly through our membership of the BNI Evan James Chapter. Members of the Chapter have supported the charity throughout the year in a variety of forms from attending events, hosting events, undertaking sponsored challenges and volunteering for us.

Donations received

We raised a total of £5,579.87 through individual donations. We continue to thank donors with handwritten cards which are warmly received and builds our relationship with donors.

In Memory

The charity received a donation of £129 in memory of Paul Kuziowicz.

Marketing

Our Communications Officer is heading up the marketing activities and promotion of fundraising events.

We are building a strong presence across social media platforms such as Twitter, Facebook and LinkedIn which has had growing levels of engagement so far and increasing in followers every month. We are ensuring that we are creating high quality content so that our audience will want to read and engage with our posts. This will allow us to reach a wider audience such as fundraisers, new stakeholders, partner organisations and local business support.

We are promoting our website after its refresh. The new version is easier to navigate and is cleaner in design. We now have the ability to push out marketing campaigns using our website which is one of the best tools to utilise. We have featured in local press such AroundTown RCT and Inform Magazine discussing our services and our befriending event, '50+ Social evening' in Merthyr Tydfil. We are always looking to build on the PR of ACM so we are always developing relationships with local press and working with them to feature the charity.

We now have mini videos that go out on our website and social media to promote individual services and events. We are link in with National Events and Days such as #NationalVolunteerWeek or #GetOnYourFeet which allows us to get involved in the related discussions about local services.

We have also started work with a Media Production Company to create a film about the charity and how we help older people in the community. The finished product will show how we are delivering on our 'Making it Personal' message, focusing on how we create relationships with people, whether they are users of our services, our staff, volunteers or supporters of our work. The film will be also be showing the Cynon Linc journey and how the project is creating sustainable community support for generations to come.

4. ACHIEVEMENTS AND PERFORMANCE – continued

We now have three branded ACM cars which the staff now use to take clients home from hospital. This is a great way to promote the charity.

Our Communications Officer represents ACM on the YourPontypridd BID marketing team so we hope to feature on a map of Pontypridd and other marketing outlets promoting local business in the Pontypridd area.

Our internal communications are being constantly reviewed and updated so that our workforce stays updated and has the opportunity to engage in all of our plans. We now have information boards in the main office to show the members of the teams, and how we are performing each quarter. We have a newsletter that goes out to each staff member including organisation updates, fundraising events and news. In the coming year, we will explore closer links with TV and Radio news. We will continue to develop our social media presence and build on our website.

Charitable Activities – Our Performance in 2018-2019

Our Report for 2017-18 set out a number of **Plans for the Future** that we intended to achieve in the current reporting period. The information below gives an update on how we performed against those plans and lists other achievements during the year:

- **Assess our property needs and develop a strategy to secure premises that allow us to meet our strategic aspirations beyond the term of the current lease which ends in 2018** – this work began in October 2015 and continues. Specifically, we secured a Stage 1 Capital Development Grant (CDG) from the Big Lottery's Community Asset Transfer Programme (CAT2) to develop our proposals for the transformation of St Mair's Day Centre into a community Hub, called Cynon Linc. The results of this development work formed a successful £1.1million bid to the Big Lottery to redevelop the centre and create a vibrant and versatile environment from which to provide activities throughout the day and evening from arts and crafts, storytelling, reminiscing, music, education classes and gardening to concerts and films. It will have a sensory room that can be used with people suffering from dementia alongside a dementia café which will also support carers. The Hub will integrate health and social care by including a Medical Centre and a Day Nursery, both of which will contribute to the sustainability of the Hub. There will be a social enterprise bistro providing affordable, healthy meals and snacks for the whole community. There will be space for local groups to hire, alongside a hall which can be used for events, conferences and meetings. ACM will continue to deliver its successful nail-cutting clinic from the hub and will invite local therapists to also use the space for therapies such as massage, reflexology and beauty treatments. If the plans are feasible and the bid is successful, Rhondda Cynon Taff County Borough Council has agreed to transfer the building and site to ACM through the capital asset transfer process.
- **Continue to contribute to the development of Age Connects Wales** – we have continued to work closely with our colleagues across Wales to deliver the Golden Thread Advocacy Project and contributed to national advisory groups such as the Ministerial Advisory Forum on Ageing and Age Alliance Wales. Locally and via our CEO, we have secured a seat at the Cwm Taf Regional Partnership Board, responsible for the local delivery of the Social Services and Wellbeing Act (Wales) 2014 and the more recent national Transformation Agenda.
- **Review our Reserve Fund to ensure provision is made through designated funds to support project income shortfall and other commitments** – achieved via Board meetings.
- **Continue to work with local funding bodies as they review their investment in the work of the Charity** – achieved through regular dialogue, review and monitoring.
- **Develop appropriate exit strategies for services that may be affected by funding issues** – achieved and implemented where necessary.
- **Continue to build our presence and activity on social media in order to raise awareness of our work and attract support in the form of volunteers, donors and supporters** – achieved and ongoing.

4. ACHIEVEMENTS AND PERFORMANCE - continued

Charitable Activities – Beneficiaries

During the year the charity continued to do what it does best – support older people.. The depth and breadth of our work described below demonstrates the impact and reach we have on the lives of older people:

- We supported **7576** people to access information, advice and support that improved their quality of life, helped them regain their independence or gave them a stronger voice
- We helped raise **£1,419,362.20** in welfare benefits for people who were living in poverty or struggling to pay for the care and support they needed to live independently. 65% of the issues we dealt with related to financial poverty.
- We made **5,191 visits** and provided **8467 hours** of care and support to some of the most vulnerable older people in our communities.
- 34% of our referrals came from health. Referrals from family friends and self-referrals made up 54% with the remaining 12% coming from other sources.
- 60% of the people we supported were aged 70+ of which 30% were aged 80+. 60% of the people we helped lived alone, a 15% increase on last year.
- Our nail-cutting service proved a great success again this year. We generated income of **£47,149**.

Beneficiaries – The Workforce

We are incredibly proud of the people who work for Age Connects, whether in paid employment or as volunteers. All our workers are committed to developing themselves personally and professionally by undertaking vocational qualifications that will give them confidence and improve the quality of the service they provide.

During the year the Charity employed up to 56 people. We believe that our people are our most important resource, we demonstrate our commitment to our people by ensuring they are given every opportunity to reach their full potential. We ensure all workers undergo a thorough and meaningful induction that sets them up with the information and tools necessary to become a valued member of the workforce.

Our mandatory training programme for all new starters who will be working directly with older people ensures we comply with legislative requirements.

The value and role of volunteers in supporting our work should not be underestimated. During the year we deployed up to **30** volunteers to work across the organisation in a variety of roles from befriending, admin support staff and fundraisers. The economic value of this volunteer effort is worth a staggering **£646k** per year and provides an additional 129 hours per week of support that helps to sustain a future for the Charity and its services.

Job Evaluation

In 2017 an external organisation (The HR Dept) was commissioned to conduct a job Evaluation exercise for the following roles: -

- Administrator
- Information & Advice Caseworker
- Support Worker

The process included: Complete Review of Job Descriptions, Feedback from staff members in each of the roles, Meetings with relevant Managers and Service Coordinators, Updated Job Descriptions that reflect the current role. The evaluators used 'Role Check Job Evaluation' to assess all roles. The process set out to: -

- Ensure a robust set of results through a variety of data sources
- Give confidence that the results reflected market levels of pay
- Provide an objective viewpoint

4. ACHIEVEMENTS AND PERFORMANCE - continued

Considerations included the market in which ACM operates, where the organisation currently pay in relation to the market. Also taken into account were current financial constraints, external factors and the demand for services that we currently provide.

The results of the exercise were submitted in February 2019. Following analysis of the evaluation and the recommendations put forward by The HR Dept, the exercise concluded that a plan should be developed to include the following aspirations:

- Staff being paid at the 'Real Living Wage'
- Strategic Rewards System in Place (i.e. compensation, benefits, recognition and appreciation)
- Listening & Communication: Effective use of feedback from staff to improve employee relations and staff wellbeing
- ACM a preferred employer
- Fostering a positive and open working environment

We intend to use this information to shape our Workforce Development Strategy in 2019/20.

Staff Satisfaction Survey

In January 2019 the HR Department conducted a Staff Satisfaction Survey for ACM. This survey was compared to the survey that was conducted in January 2017. The survey used was the same as the one used in 2017, with no changes made, so that comparisons could be made between both surveys.

In 2017 there were 49 members of staff. Surveys were handed to all members of staff of which 21 members of staff responded, representing a 43% response rate.

In 2019 there were 48 members of staff. Surveys were handed to all members of staff of which 23 members of staff responded, representing a 48% response rate. (An increase of 5% from the last survey).

With only a 17.99% of disagreed statements compared to 65% agreed statements, this would be a more positive survey than negative overall.

Certain trends were identified within the survey, including, salary/compensation/communication. These themes will be explored with staff and next steps include development of a Survey Action Plan, this will take a collaborative approach, ensuring that managers receive feedback and utilize this information to make continuous improvements.

Working for Age Connects Morgannwg means working for older people and the benefit of the public generally. We recognise that by investing in the wellbeing of our workforce we achieve better results for older people. During the period we signed up to the following health and wellbeing programmes:

Health Assured Employee Assistance Programme

ACM is a member of the Health Assured Employee Assistance Programme which provides an employee benefit designed to help staff deal with personal and professional problems which could affect home or work life, health and general well-being and impact effectiveness in the workplace. A confidential support helpline is available free of charge 24/7, and dependant on the nature of the issue, counselling or specialist advice can be provided by fully qualified professionals. Alongside this, there is also online support through a dedicated virtual library offering information and self-help guides covering a range of well-being issues, helping employees manage their physical and mental health.

The programme is promoted to staff through regular updates and bulletins.

Fresh Air Fridays Wellbeing for Business Programme

Staff are able to participate in a Wellbeing for Business 12 week programme, paid for by ACM.

Each session in the programme is conducted outdoors, away from the office and includes walking, relaxation techniques and discussion/exploration of tools and themes that support and develop mental and emotional resilience.

4. ACHIEVEMENTS AND PERFORMANCE - continued

The programme has received excellent feedback, with staff who have participated in the programme reporting an increase in motivation, improved physical health, improved emotional health and feeling better equipped to deal with stressors.

Our Trustees decide the strategic direction of the Charity based on what our service users tell us personally or via their interaction with our workforce. The Trustees commit to holding Workforce Away Days in the Spring and Winter so that staff and volunteers have the opportunity to get involved in setting the priorities for the year, having their say on plans for the future and then assessing what we've achieved at the six month period. We have developed ways of communicating what's going on at the Charity and with our partners by using a range of different methods and approaches that ensure everyone receives the right information at the appropriate time and in a way that suits them best.

Beneficiaries – Partners

We work hard to link our work with the work of others. We are a leading Charity in respect of the Age Connects movement in Wales and our Trustees play an active part in strengthening the national profile through **Age Connects Wales (ACW)**. Our Chief Executive has been particularly active in building the ACW role to ensure its members can continue to benefit from strategic opportunities and joint work that takes place at a national level.

As a member of Age Connects Wales, the charity's Chief Executive has also been involved in representing the interests of older people and the third sector by her involvement in a variety of ways, namely:

- Elected as Chair of the Cwm Taf Regional Partnership Board (RPB) in April 2018. The RPB is required by the Social Services and Wellbeing Act (Wales) 2014 to ensure the Act is delivered locally and is also responsible for the management and performance of the Integrated Care Fund Programme and the Transformation Fund.
- The Continued involvement with the Ministerial Advisory Forum on Ageing.
- Project Board and Strategic Reference Group member of the Golden Thread Programme, a three year collaborative national project funded by Welsh Government through the Third Sector Sustainable Social Services Grant Programme. The project is designed to support commissioners and providers in the delivery of independent professional advocacy, in line with the Social Services and Well-being (Wales) Act 2014. Her role as a member of the Golden Thread Project Board which comprises the project delivery partners Age Connects Wales, Age Cymru and Diverse Cymru further illustrates our commitment to collaborating with others to improve services for older people.
- Deputises for the Chair of Age Connects Wales at Age Alliance Wales meetings and took an active role in responding to Welsh Government consultations on the Social Services and Wellbeing Act 2014.

Beneficiaries – Partners

Locally, we continue to work closely with our statutory partners to find responses to the challenges older people face. Our work with RCTCBC to ensure their compliance with the Social Services and Wellbeing Act to provide independent Advocacy is testament to our flexibility as a service provider. Likewise, our work with Cwm Taf UHB to develop the Prince Charles Hospital Pilot Project is the product of a determined effort by ACM to prove the impact of the Better at Home Service when managing unscheduled care.

Equality and Diversity

We do not discriminate against people on the grounds of race, ethnicity, religion, disability or sexual orientation and we endeavour to provide an accessible service to our workers, our service users and our partners. We strive to meet the need of people with sensory impairment and people for whom English is a second language. We can also provide communication using British Sign Language and in Welsh.

Quality Assurance Management

Age Connects Morgannwg is constantly looking to improve and enhance our service quality; Through effective use of service-user feedback, all services are regularly evaluated, and information collated is utilised to improve and inform service delivery models.

4. ACHIEVEMENTS AND PERFORMANCE – continued

Quality is about trying to do better: better in both the services the organisation offers and in the way the organisation runs. Age Connects Morgannwg invests in quality in order to:

- o Improve effectiveness and efficiency
- o Improve satisfaction of service-users, staff and volunteers
- o Develop consistency across sites and services
- o Checking and prevention of potential risks and issues
- o Set improvement targets and priorities and monitor progress against them
- o Comparison with other organisations leading to improvements
- o Demonstrate quality of service to funders

Quality Improvement Plan:

The organisation has developed a robust Quality Improvement Plan which includes timelines and milestones, it incorporates all areas of service, ensuring quality assurance is embedded across the organisation.

All quality activities are appropriately applied to get the best out of the people responsible for each area of the organisation.

Trusted Charity Mark (TCM):

Age Connects Morgannwg has been working toward achieving the Trusted Charity Mark (Formerly PQASSO), Level 2. Working to the quality framework to collate evidence on all 11 standards, the team has been finalising this process, assessing the level of compliance with standards and matching evidence against a set of criteria. Level 2 requires organisations to be more strategic in their approach and all policies, procedures and practices to be documented.

In addition to helping to run the organisation more effectively and efficiently, the framework sets out what the organisation needs to have in place to ensure sound governance practices, robust financial and risk management systems, and a reliable system for measuring outcomes.

Having completed the Self-Assessment process the organisation has scheduled a Desk-Top Assessment which will be followed by the Formal Assessment.

Achieving the Trusted Charity Mark will allow Age Connects Morgannwg to demonstrate how the charity works and will inspire trust. This will also provide a clear indication of the quality of our work to funding bodies and commissioners. Also proving to be a valuable exercise to reassure beneficiaries, supporters, donors, volunteers and staff who want to know that the organisation is well run, accountable and transparent.

Advice Quality Standard (AQS):

Age Connects Morgannwg successfully re-attained the AQS standard for a further 2 years up to December 2020.

This illustrates that the organisation facilitates a positive culture of involvement and consultation, strong team working and loyalty to the organisation.

We have a comprehensive referral and signposting procedure. There is a very strong commitment to meeting service users' needs through effective quality procedures and a committed and professional workforce.

5. PLANS FOR FUTURE PERIODS

Strategic Objectives

Our key long term strategic objectives are:

- To raise awareness and campaign for a fair deal for older people
- To provide services in line with our object and vision
- To build on the Charity's culture and ethos

To achieve these objectives, the Board is currently reviewing and setting its Operational plan for the period 2019-2022. Our strategic priorities are:

- **We will listen to older people and use what they tell us to inform our work.** We will secure sufficient funding to develop our Reaching Out Programme to include a robust engagement and participation plan that will influence not just the way we work but will strengthen their voice with policy makers. We will seek to work with younger older people and new generations of older people by embracing the digital age, new technology and new solutions to support the development of age-friendly communities. We will use Cynon Linc as a hub for learning more about the aspirations and challenges of today's older people and how the generations can work together to achieve lasting improvement.
- **We will use our influence to be a champion for older people.** We will continue our engagement with Local Health Boards, Local Government and Regional Partnership Boards, so that we are fully engaged in the integration agenda, Social Services and Well-being Act, prudent health care, Future Generations Act, and A Healthier Wales; making a compelling case for Health and other funding to support Hospital to Home, social prescribing, and proactive programmes such as Be Well in Your Community and Stay Well@Home. Through Age Connects Wales, we will continue to make representations to Welsh Government, improving how we use our expertise, research, data, and evaluation to advocate for older people across Wales, strengthen the case for supporting local delivery by local charities and influence better national policy for older people.
- **We will increase and improve our volunteer workforce to create a more sustainable future.** From our engagement with older people, we will identify opportunities for volunteering within the charity that ensure we can meet the needs of older people, offer learning and routes to employment for those wishing to return to work or those seeking first time experience. We will strengthen our volunteer retention and improve recruitment by working with time credit organisations and by being clear about the range of volunteering opportunities within the charity. We will recruit volunteers on a community/neighbourhood level and in response to specific requests for support.
- **We will develop diverse, sustainable income streams to support our work and build our resilience.** We will increase unrestricted income from existing social enterprise at Cynon Linc and via Simply Nails. From our research, we will explore opportunities to meet the needs of older people via trading in products and services such as Wills, Funeral Plans, Financial Planning and Insurance Products. We will develop these in partnership with trusted preferred providers. We will strengthen our community fundraising by harnessing the existing support we receive and building on it. We will continue to develop our links with business through BNI, to attract long term corporate support and become a publicly recognised charity supported by individual donations, legacy giving, increased Trust funding, and corporate support.
- **We will invest resources in the growth and welfare of our people.** Sustainable help and support for older people relies on a strong, skilled workforce that understands the environment in which it works and puts older people at the heart of everything it does. Our commitment to supporting, developing and nurturing our people is backed up by our investment in improving their wellbeing at work through a range of programmes that focus on mindfulness, talking therapies and coaching. Our paid staff and volunteers work with some of the most vulnerable older people in our communities. It is essential, therefore, that we create a network of support that builds and encourage resilience.
We will create a culture of sustainable leadership through learning and improvement that is person centred.

5. PLANS FOR FUTURE PERIODS – continued

We will review our services and project work to ensure they are fit for purpose and are adequately resourced. A key concern is the charity's ability to meet the cost of National Minimum Wage expectations and its own aspiration to be a Living Wage Employer by 2020. Work will continue in 2019/20 and beyond, to negotiate increases in project and service funding to enable this to happen.

The Cynon Linc Project allows the charity to realise a number of its strategic priorities, particularly in relation to sustainable sources of funding, strengthening the charity's position and profile and creating the space for more social enterprise activity. This opportunity also comes with potential risks, not least the ability to raise sufficient income to meet operating costs but also achieve the levels of profit required for re-investment in future growth.

The Charity trustees and the delegated Cynon Linc Project Board will have to ensure sufficient governance arrangements are in place and that adequate risk management strategies are applied to ensure the project is well managed and delivering on its objectives.

Aims of the Charity

We will help and support older people, especially those who are vulnerable, isolated and in poverty.

The Charity's aims are to:

- Enable older people to secure and uphold their rights at times when they may be vulnerable.
- Provide opportunities for older people to participate and engage as active citizens.
- Provide independent, accurate and up to date information.
- Provide a wide range of information and a variety of services through a committed and high quality workforce.
- Provide support for older people to remain living in their home of choice for as long as they wish.
- Promote health and wellbeing through the delivery of a range of activities.

5. PLANS FOR FUTURE PERIODS – continued

Organisational Objectives

- Listen to what older people tell us and work with them to design, develop and deliver the services and support they need and want
- Work positively with local strategic partners to ensure we are in a position to influence service design, development and delivery
- Build on our strong reputation by delivering the highest quality service to our stakeholders
- Generate funds to support the needs of the Charity and its beneficiaries
- Sell commercial products and services.
- Deploy committed, skilled and knowledgeable workers to deliver care, support and initiatives that meet the aspirations of older people.

Plans for the Future

We intend to focus on the following plans for the year 2019/20:

- Commence delivery of the Cynon Linc Project on schedule and on budget.
- Achieve the Trusted Charity Standard (formerly PQASSO) by December 2019.
- Retain the Advice Quality Standard (AQS).
- Increase donations, legacies, corporate sponsorship and general fundraising income.
- Review our commercial operations (advant~AGE Trading and Nail-cutting) to ensure they are viable and making a worthwhile contribution to the work of the Charity.
- Continue to contribute to the development of Age Connects Wales.
- Review our Reserve Fund to ensure provision is made through designated funds to support project income shortfall and other commitments Continue to work with local funding bodies as they review their investment in the work of the Charity.
- Develop appropriate exit strategies for services that may be affected by funding issues.
- Continue to promote the Charity and raise its profile through appropriate social media platforms.

6. FINANCIAL REVIEW

A detailed analysis of income and expenditure for 2018/2019 has been completed and compared with analysis from previous years. The business plan addresses perceived weaknesses and identifies potential opportunities. Regular monthly reporting procedures ensure that senior managers and Trustees are aware of the actual position in respect of income and expenditure against forecasts. Contingency plans have been established to take corrective action, where necessary.

The Charity will, to a certain extent, always be at risk of cuts to funding and contracts. It is, however, able to react to cuts and that is an important quality for any third sector organisation. The Charity's ability to 'cut its cloth' in the last year speaks for itself.

From an operational point of view, the charity continues to develop its operational model with the introduction of Charity Log and by innovating piloting projects that will provide a competitive edge.

The charity also negotiated new premises costs from May 2018 that will realise an annual saving of circa £40k, which has started to manifest itself in the current financial year. With plans to move the operational base to Cynon Linc from late 2019, the Trustees are keen to retain a high street, front line presence in Pontypridd – the main county town of RCT. In May 2018 the charity relocated from Principality House to share premises with the Main Post Office in Pontypridd. This move significantly reduced the rent (£10k pa compared to £45k pa) and increased footfall and exposure for the charity. 'Back office' services will operate from short-term temporary offices (£2k pa) until completion of the Cynon Linc refurbishment programme.

Comparison of 2017/2018 with 2018/2019

The Statement of Group Financial Activities for the year is set out on page 24. Total incoming resources for the Group increased from **£954,847 to £1,033,599** an increase of **8.2%**. Total resources expended increased from **£892,590 to £1,095,775**, an increase of **22.8%**. Staff costs, represent 71% (2018: 69%) of total expenditure, and these have increased from **£616,864 to £778,835**.

The **subsidiary** company made a loss for the year of £322 for the year (2018: £3,919) and has shareholders' funds of £4,505 (2018: £4,827).

Investment Policy

Age Concern Morgannwg are currently in the process of reviewing and implementing their investment policy.

Reserves Policies

The Trustees have reviewed the reserves policy and:

- Analysed income and expenditure
- Assessed past performance
- Considered forecast based on changes in the social and health care environment
- Assessed the economics of the Charity's programmes
- Identified areas of risk
- Identified exit costs should all the Charity's income streams cease at once

The Board has designated funds for the following purposes:

- Age Connects Wales membership
- Developing of Trading Opportunities
- Disaster Recovery

6. FINANCIAL REVIEW - continued

General Reserve Fund

The reserve policy operates against a challenging operating climate and in the opinion of the trustees will continue to be under pressure in meeting charitable obligations in the future in the development of Charitable Aims.

The review concluded that a General Reserve Fund equivalent to approximately six months of operating costs is desirable. This fund includes funds designated for particular purposes.

The reserves policy recognises the need to hold reserves to ensure funds are available to pursue the primary objects should the income levels fall, and also to be able to operate an exit strategy should the Charity have to cease operations. Total reserves are £446,974 (2018: £509,150) at the balance sheet date. Of this £109,473 (2018: £Nil) is represented by tangible fixed assets leaving £337,501 (2018: £509,150) as the free reserves. This amounts to 33% (2018: 54%) of total income.

The free reserves of £337,501 represents 30.8% (2018: £509,150 & 57.0%) of the operating cost, or the equivalent of 3-4 months (approximately) of operating cost. The charity aims to maintain 6 months of operating costs in free reserves, and will endeavour to return to this position in the coming 12 months.

Following a board review, closure costs of the charity have been assessed at £177,967.

The reserve policy operates against a challenging operating climate and in the opinion of the trustees will continue to be under pressure in meeting charitable obligations in the future in the development of Charitable Aims.

Restricted Funds

These funds, amounting to £251,202 (2018: £157,395) in total, are restricted to the purposes identified in note 17. Surpluses are required to cover potential future shortfalls. Trustees have taken action to eliminate deficits.

Acknowledgements

The Board is keen to acknowledge the support provided by those organisations listed on Page 25.

7. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity has a general **vision** of a society where older people are respected and enabled to meet their aspirations. The **mission** of the Charity is **to improve the quality of life of older people**.

Governing Document & Legal Status

Age Concern Morgannwg (the Charity) is an incorporated association. Company number: 06717361 with charitable status, governed by a Constitution – Registered Charity Number: 1129973. The Charity's operating title is **Age Connects Morgannwg**.

The Charity was constituted in 1977 following registration in 1978 as the Council for the Elderly in Mid Glamorgan. In 1999, a further resolution was passed and approved by the Charity Commission for the name of the Charity to become Age Concern Morgannwg and that its area of benefit changed to reflect the local government reorganisation.

Membership

Membership of the organisation is open to individuals and organisations who apply to the Charity and are approved by the Trustees. Membership is not transferrable and, currently, the only members of the organisations are the Directors of the organisation who also comprise of the Board of Trustees. The Directors have the right to establish classes of membership with different rights and obligations which are recorded in the register of members.

Appointment of Trustees

Applications for potential trustees are sought by press advertisement, through registration with appropriate local networks and associations, and through invitations sent out in member mailings. An individual aged 16 years and older may apply.

Membership of the Board of Trustees consists of the Chair and eight other Trustees elected by members of the Charity as determined by the Charity's Regulations. The Board also has the power to co-opt persons to serve as members of the Board until the next election of Trustees.

Board members become members of the Charity from the time of their election. One-third of the trustees are required to stand down by rotation at each annual general meeting, but may seek further reappointment.

Trustee Induction & Training

The Charity has completed its review of the process for recruiting Trustees. Potential Trustees are initially provided with reports that will enable them to judge whether to pursue an appointment. Application forms are completed prior to an interview with the Chair of the Charity and the Chief Executive Officer. If candidates are regarded as suitable, and wish to pursue an appointment, an orientation session is arranged. This forms part of the ongoing induction process and involves meetings with key staff, attendance at seminars and Committees and at least one Board meeting. Following satisfactory completion of the recruitment process the Board will recommend appointment, as a trustee, to the Annual General Meeting.

Organisation Governance and Structure

The Board has the overall responsibility for the governance of the Charity. It meets at least six times a year. The Board delegates' authority to the Charity Executive who leads the Management Team in the day to day management of the Charity, working within the financial framework, procedures and policies set down by the Board. The Chief Executive has delegated authority for human resource planning, employment, service development and finance.

The Board also delegates authority to the non-executive Directors of its two subsidiaries, Age Concern Morgannwg Trading Limited and Age Concern Morgannwg and receives quarterly reports and meeting minutes of their progression and performance.

7. STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

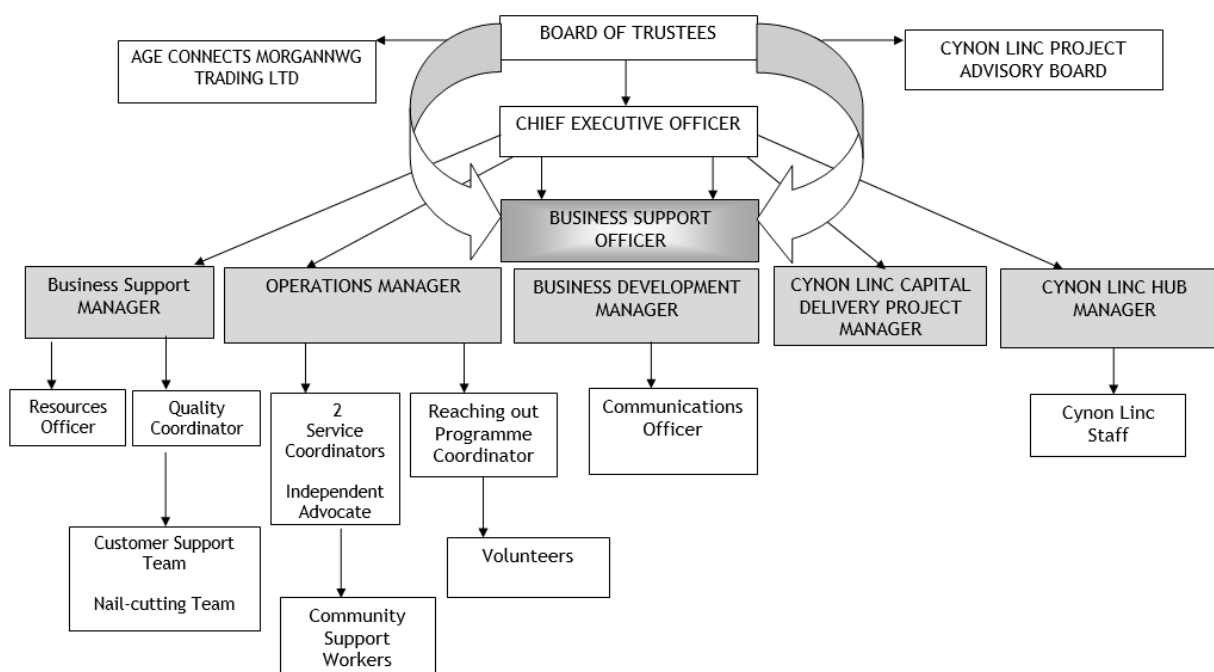
Organisation Governance and Structure - continued

The Senior Management Team comprising an Operations Manager, *Business Development Manager, **Cynon Linc Hub Manager, Cynon Linc Project Manager and a Business Support Manager supports the Chief Executive Officer to deliver the charity's strategic objectives and priorities.

Notes:

*The Business Development Manager left the organisation in March 2019.

**The Cynon Linc Hub Manager left the organisation in March 2019



Note this organisational diagram reflects the structure at 31 March 2019 and will be subject to change from time to time.

Related Parties

The Charity is an active member of Age Connects Wales (ACW) (Company Number 8104542). The alliance is made up of independent and autonomous Age Connect organisations, which share common aims and values working together to add value to the work and role of Age Connect in Wales.

Our membership of Age Connects Wales does not impose any influence or requirements on the Charity's internal policy or strategic planning framework nor does it have any financial implications.

7. STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Risk Management

The systems and internal controls established by the Board are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Trustees and senior staff carry out the risk assessment in order to confirm that the major risks, to which the Charity is exposed, have been reviewed and systems established to mitigate those risks. The Board has identified the following risk areas: The Board has identified the following significant risk areas and the Board monitors these risks together with the mitigating controls and actions on a regular basis:

Risk Rating: 1 Low Risk – 5 High Risk

Identified Risk	Likelihood	Severity	Score
Vulnerability of Funding	5	5	25
Over-reliance on restricted funding	5	5	25
Not being able to evidence impact of current services	4	5	20
Capacity demands on staff	4	4	16
Levels of demand	5	3	15
Cynon Linc not achieving its income targets	3	5	15
Cost/Benefit of submitting small funding applications for projects that do not contribute to the charity's financial sustainability	3	5	15
Fundraising Activities not meeting targets	4	3	12
Trading activity not delivering on its profit target	3	3	9
Reputational Risk of Corporate Partnerships	2	4	6

The effect of a possible cessation of a major income stream has been evaluated and the ability to restructure and continue other services without impairment is underpinned by the reserves policy and the diversification of income streams.

Leased Property – Following a review of leases and suitability of operational sites in 2018, the lease at Principality House was not renewed in May 2018 due to cost. The decision was made to relocate to 49 Mill Street and 5-7 Mill Street (Post Office), therefore, minimising costs and resources.

Insurance Cover - This has been reviewed in the year and the Charity maintains appropriate policies. Insurance is reviewed annually by the Board.

Pay and Remuneration

The Board considered the pay and remuneration of staff at its August 2018 meeting. A bonus payment for all staff was agreed, this was paid to staff in December 2018.

8. REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number	06717361
Registered Charity Number	1129973
Principal & Registered Office	5-7 Mill Street Pontypridd CF372SN

The Directors and Trustees

The trustees who served on the board of the Charity during the period were as follows:

Colette Colman – Chair
Ruth Hopkins – Vice Chair (deceased March 2019)
Tony Hutchings (retired December 2019)
Laith Khatib (retired January 2019)
Elisa Faulkner (retired September 2018)
Christopher Ward
Chris Williams
Lynda Williams
Mair Evans
Mary Winter
Gary Owen
Clive Griffiths
Rachel Rowlands (Company Secretary)

Age Concern Morgannwg Trading Limited

The directors of the charity's trading subsidiary who served during the period were as follows:

Tony Hutchings (retired December 2019)
Colette Colman
Mary Winter

Rachel Rowlands - Company Secretary

Chief Executive Officer	Rachel Rowlands
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Senior Management Team

Finance Manager	Lynda Bogunovic (Appointed September 2018) Susanne Davies (From December 2017 until August 2018)
Business Development Manager	Esyllt Williams
Interim Operations Manager	Elisa Faulkner (Appointed September 2018)
Operations Manager	Helen Davies (From January 2017 until August 2018)
Cynon Linc Hub Manager	Su Wade (Resigned February 2019)
Cynon Linc Capital Delivery Project Manager	Denise Havard (Appointed May 2018)

8. REFERENCE AND ADMINISTRATIVE DETAILS - continued

Auditors	<p>Advantage Accountancy and Advisory Ltd Carlyle House 5-7 Cathedral Road Cardiff CF11 9HA</p>
Bankers	<p>Barclays 91 Taff Street Pontypridd CF37 4SN</p> <p>Hodge Bank One Central Square Cardiff CF10 1FS</p> <p>Handelsbanken Bridgend Branch 3 Oldfield Road Bocam Park Bridgend CF35 5LJ</p> <p>Nationwide Building Society Kings Park Road Moulton Park Northampton NN3 6NW</p> <p>Monmouthshire Building Society John Frost Square Newport NP20 1PX</p>
Solicitors	<p>Geldards Solicitors* Dumfries House Dumfries Pl Cardiff CF10 3ZF</p> <p>Acuity Legal** 3 Assembly Square Britannia Quay Cardiff Bay CF10 4PL</p> <p>* assisting with ongoing lease and contract at Cynon Linc *assisted with leases at Mill Street Pontypridd (May 2018)</p>
Pension Scheme Advisors	<p>Savvy Wealth Management 1 Church St Pontypridd CF37 2TH</p>

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Age Concern Morgannwg Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing those financial statements, the trustees are required to

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 Charitable Company 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 to enable it to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the applicable Charities (Accounts and Reports) regulations and the provisions of the trust deed. It is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information of which the Charitable Company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable Charity's auditors are aware of that information.

AUDITORS

Advantage Accountancy & Advisory Ltd will be proposed for reappointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (effective 1 January 2015) and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Report of the Trustees was approved by order of the board of trustees, as the company directors, on 13/08/2019 and signed on the board's behalf by:

.....
Rachel Rowlands – Chief Executive and Company Secretary

Date:

Age Concern Morgannwg Limited
Report of the Independent Auditors to the Trustees of Age Concern Morgannwg Limited
for the year ended 31 March 2019

Opinion

We have audited the accounts of Age Concern Morgannwg Limited for the year ended 31 March 2019 which comprise of the Group Charitable Company Statement of Financial Activities, the Group and Parent Charitable Company the Balance Sheet, the Group cashflow and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2019 and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditor's responsibilities for the audit of the accounts 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 accounts in the UK, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate;
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit;

- The information given in the Trustees' annual report for the financial year is consistent with the financial statements; and
- The strategic report and the Directors' report included within the Trustees Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibility of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Stephen John Bickerton (Senior Statutory Auditor)
For and on behalf of Advantage Accountancy & Advisory Ltd
Chartered Certified Accountants & Statutory Auditors
Carlyle House
5-7 Cathedral Road
Cardiff
CF11 9HA

Date:

Age Concern Morgannwg Limited
Consolidated Statement of Financial Activities
(Incorporating the Consolidated Income and Expenditure Account)
for the year ended 31 March 2019

		Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
Income from:	Note	£	£	£	£
Donations and legacies	2	5,580	-	5,580	66,913
Charitable activities	4	79,555	894,642	974,197	862,912
Other trading activities	3	51,985	-	51,985	23,020
Investments	5	1,837	-	1,837	2,002
Total Income		138,957	894,642	1,033,599	954,847
Expenditure on:					
Raising funds	6	3,495	-	3,495	8,145
Charitable activities	6	291,445	800,835	1,092,280	884,445
Total expenditure		294,940	800,835	1,095,775	892,590
Net (expenditure) / income		(155,983)	93,807	(62,176)	62,257
Transfers between funds		-	-	-	-
Net movement in funds		(155,983)	93,807	(62,176)	62,257
<u>Reconciliation of funds</u>					
Total Funds bought forward		351,755	157,395	509,150	446,893
Total funds carried forward		195,772	251,202	446,974	509,150

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

Age Concern Morgannwg Limited
Comparative Consolidated Statement of Financial Activities
(Incorporating the Consolidated Income and Expenditure Account)
for the year ended 31 March 2018

		Unrestricted	Restricted	Total
		Funds	Funds	2018
Income from:	Note	£	£	£
Donations and legacies	2	66,913	-	66,913
Charitable activities	4	86,995	775,917	862,912
Other trading activities	3	23,020	-	23,020
Investments	5	2,002	-	2,002
Total Income		178,930	775,917	954,847
Expenditure on:				
Raising funds	6	8,145	-	8,145
Charitable activities	6	178,234	706,211	884,445
Total expenditure		186,379	706,211	892,590
Net (expenditure) / income		(7,449)	69,706	62,257
Transfers between funds		-	-	-
Net movement in funds		(7,449)	69,706	62,257
Reconciliation of funds				
Total Funds brought forward		359,204	87,689	446,893
Total funds carried forward		351,755	157,395	509,150

Age Concern Morgannwg Limited
Balance Sheets
for the year ended 31 March 2019
Registered Company Number: 06717361 (England and Wales)

		2019	Charity	2018	Charity
		Group	2019	Group	2018
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11	109,473	109,473	-	-
Investments	12	-	2	-	2
		109,473	109,475	-	-
Current assets					
Current asset investments	13	153,510	153,510	152,586	152,586
Debtors	14	239,874	243,793	169,045	172,964
Cash at bank and in hand		141,966	130,295	247,447	235,954
		535,350	527,598	569,078	561,505
Current liabilities					
Creditors falling due within one year	15	(170,349)	(167,101)	(34,208)	(31,459)
Net current assets		365,001	360,497	534,870	530,046
Provisions for liabilities	16	(27,500)	(27,500)	(25,720)	(25,720)
NET ASSETS		446,974	442,472	509,150	504,326
Funds					
Restricted income funds	17	251,202	251,202	157,395	157,395
Unrestricted income funds	17	195,772	191,270	351,755	346,931
Total charity funds		446,974	442,472	509,150	504,326

The financial statements were approved by the Board of Trustees and were signed on its behalf by:

.....
Collette Colman – Chair

.....
Date

The notes form part of these financial statements

Age Concern Morgannwg Limited
Statement of Cash Flows
for the year ended 31 March 2019
Registered Company Number: 06717361 (England and Wales)

	Notes	Group 2019	Group 2018
		£	£
Cash Generated used in Operating Activities	I	7,642	(79,967)
Cash flows from investing activities			
Interest income		1,529	1,356
Purchase of tangible fixed assets		(113,727)	-
Cash provided by investing activities		(112,198)	1,356
Increase/(Decrease) in cash and cash equivalents in the year		(104,556)	(78,611)
Cash and cash equivalents at the beginning of the year		400,033	478,644
Cash and cash equivalents at the end of the year		295,477	400,033

**RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM/(USED IN)
 OPERATING ACTIVITIES**

	2019	2018
	£	£
Net (expenditure) for the reporting period (as per the statement of financial activities)	(62,176)	62,257
Adjusted for:		
Depreciation charges (note 11)	4,255	295
Interest receivable (note 5)	(1,529)	(1,356)
(Increase) in debtors	(70,829)	(113,164)
(Decrease)/Increase in creditors	136,141	(25,719)
(Decrease)/Increase in provisions for liabilities	1,780	(2,280)
Net cash used in/from Operating Activities	7,642	(79,967)

I. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the Charitable Company, which is a public benefit entity under FRS 102, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Charitable Company's functional and presentational currency is the pound sterling (£), and balances are rounded to the nearest £1.

Preparation of the accounts on a going concern basis

The Group reported a cash outflow of £104,556 (2018: £78,611) for the year and reported net expenditure of £62,176 (2018: surplus of £62,257). The trustees consider that there is no material uncertainty over the ability for the Group to continue as a going concern following the internal restructuring undertaken during the last two years. There have been and continue to be concerted efforts within the key management team to raise further funding through working with various diverse income streams in the post year-end period.

As a result, the trustees have adopted the going concern basis of accounting.

Basis of consolidation

The group financial statements include the results of the Charitable Company and its wholly owned trading subsidiary consolidated on a line-by-line basis.

The consolidated entity is known as the 'Group'.

Accounting policies specific to the Charitable Company or group in total are laid out below.

No separate company Statement of Financial Activities (SOFA) has been prepared for the Charitable Company as permitted by Section 408 of the Companies Act 2006.

Incoming resources

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. It is derived from the activities outlined below.

The charitable company delivers its services through a range of Service Level Agreements where performance monitoring information is provided to the funders on a quarterly basis. The services provided are often subject to change during the year that reflects the fluctuations in demand or the introduction of new strategies. As a result, the charitable company are expected to adapt by varying overhead allocations to reflect the cost of delivering, administering, monitoring and managing the service. There is an expectation that funders Service Level Agreements will roll on year on year provided that the objectives of the contract are being satisfied.

Donations without conditions are accounted for on a cash received basis. In the event that a donation is subject to conditions that require a level of performance before the Charitable Company is entitled to the funds, the income is deferred and not recognised in full either until those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charitable Company and it is probable that those conditions will be fulfilled in the reporting period.

I. ACCOUNTING POLICIES (Continued)

Incoming resources – continued

For legacies, entitlement is taken as the earlier of the date on which either:

- a) The Charitable Company is aware that probate has been granted;
- b) The estate has been finalised and notification has been made by the executor(s) that distribution will be made, or when a distribution is received from the estate.

Receipt of a legacy, whole or in part, is only considered probable when the amount can be measured reliably and the Charitable Company has been notified of the executors' intention to make a distribution. Where legacies have been notified to the Charitable Company, or the Charitable Company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income derived from events is deferred until the criteria for income recognition are met.

Income received in the trading subsidiary represents the total value of commission receivable for the year. This income is recognised when the service to which the commission relates has been performed and entitlement to funds is probable.

Investment income is recognised when receivable and the amount can be measured reliably by the Charitable Company; this is normally upon notification of the interest paid or payable by the bank.

Rental income from operating leases (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

Resources expended

Expenditure is recognised once there is legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs of charitable fundraising activities
- Expenditure classified as charitable expenditure comprises those costs incurred by the Charitable Company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support the activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support and governance costs

Support costs are these functions that assist the work of the Charitable Company but do not directly undertake charitable activities. Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the Charitable Company and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

The bases on which support costs have been allocated are set out in note 6.

Taxation

As a registered Charitable Company, Age Concern Morgannwg Limited is entitled to the exemptions from taxation in respect of income and capital gains received within Sections 478 – 489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only. No tax charges have arisen in the Charitable Company.

The non-dormant trading subsidiary does not generally pay UK Corporation Tax because the policy is to pay taxable profits to the Charitable Company as gift aid.

I. ACCOUNTING POLICIES (Continued)

Tangible fixed assets

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

Long leasehold property improvements	-	5% straight line
Computers and equipment	-	33.33% straight line
Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% straight line

Investments in Subsidiaries

Investment in subsidiary entities are held at cost less impairment.

Debtors

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

Current asset investments

Current asset investments includes longer term liquid investments which are held, by the trustees, for investment potential. The accounting policy for interest receivable is described within 'incoming resources' above.

Cash at bank and in hand (cash and cash equivalents)

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.

Creditors and provisions

Creditors and provisions are recognised where the Charitable Company 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The Charitable Company 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.

Fund accounting

Unrestricted funds are those which are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company 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 of the financial statements.

Designated funds are unrestricted funds of the Charitable Company which the trustees have decided at their discretion to set aside to use for a specific purpose.

Operating lease agreements

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

Pension costs

The Charitable Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Charitable Company. The annual contributions payable are charged to the statement of financial activities.

1. ACCOUNTING POLICIES (Continued)

Critical accounting estimates and assumptions

The Charitable Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below:

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimate, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of each class of asset held, and above for the useful economic lives for each class of assets.

(ii) Impairment of debtors

The Charitable Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management consider factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of debtors and associated impairment provision.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	£	£	£	£
Donations	5,580	-	5,580	6,204
Legacies and bequests	-	-	-	60,709
	5,580	-	5,580	66,913

3. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	£	£	£	£
Fundraising events	12,152	-	12,152	14,937
Rental income received	3,942	-	3,942	8,083
Restaurant income	35,891	-	35,891	-
	51,985	-	51,985	23,020

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2019	2018
	£	£	£	£
RCT SLA	21,808	213,728	235,536	235,536
Cwm Taf UHB	-	209,727	209,727	209,727
Merthyr Tydfil Supporting People	-	16,902	16,902	41,474
Bridgend LHB	-	83,523	83,523	140,523
Bridgend CBC Minerva Street	-	19,503	19,503	20,443
RCT Independent Advocacy	-	25,000	25,000	25,000
Royal Glamorgan Hospital to Home	-	48,812	48,812	48,812
RCT OPAG	-	5,000	5,000	5,000
Pen y Cymoedd	-	70,000	70,000	-
The National Lottery Community Fund	-	75,000	75,000	-
ICF Capital	-	80,312	80,312	-
ICF Vehicles	-	47,135	47,135	-
Money Matters (CF Wales)	-	-	-	8,160
Lloyds	-	-	-	15,000
Help at Home Support Plus	287	-	287	2,108
Other	1,582	-	1,582	7,105
Nail cutting	48,761	-	48,761	47,181
Salary Recharge	7,117	-	7,117	2,193
Mind Cymru Funding	-	-	-	6,600
	79,555	894,642	974,197	862,912

5. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2019	Total 2018
	£	£	£	£
Bank interest receivable	1,529	-	1,529	1,356
Trading subsidiary income	308	-	308	646
	<u>1,837</u>	<u>-</u>	<u>1,837</u>	<u>2,002</u>

6 Cost of Charitable Activities

	Staff Costs	Non Pay Expenditure		Total 2019	Total 2018
		Premises	Other		
	£	£	£	£	£
Expenditure on raising funds	-	-	3,495	3,495	8,145
	<u>-</u>	<u>-</u>	<u>3,495</u>	<u>3,495</u>	<u>8,145</u>

6 Cost of Charitable Activities Continued

	Total 2019 £	Total 2018 £
Direct costs – Information and supporting people		
Employment & training costs	637,652	493,491
Establishment costs	51,140	35,118
Repairs, maintenance & IT	22,095	24,933
Restaurant costs	17,807	-
Office expenses	17,680	18,219
Printing, postage and stationery	7,092	4,448
Corporate costs and sundry expenditure	9,546	5,566
Voluntary mileage	1,878	1,123
Travel and subsistence	29,488	22,390
Advertising and promotion	14,332	7,204
Recruitment	7,639	8,193
Legal and professional fees	44,926	66,817
Bank charges	1,169	888
Depreciation	4,255	295
	<u>866,699</u>	<u>688,685</u>
Support costs – Information and supporting people		
Wages and salaries	144,325	123,373
Establishment costs	27,537	18,910
Repairs and maintenance	11,897	13,425
Dilapidation	2,730	2,280
Office expenses	9,520	9,810
Printing, postage and stationery	3,819	2,395
Travel and subsistence	15,879	12,056
Governance costs	9,874	13,511
	<u>225,581</u>	<u>195,760</u>
Total direct and support costs	<u>1,092,280</u>	<u>884,445</u>

6. COST OF CHARITABLE ACTIVITIES - CONTINUED

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the Charitable Group's activities. These costs will include any employee benefits for trusteeship, the cost of charity employees involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

Support costs are allocated between unrestricted and restricted funds on the following basis:

Support cost	Basis of allocation
Wages and salaries	Core salaries of directorship and key, non-project management
Establishment costs	35% of weekly working hours are for office based staff
Repairs and maintenance	35% of weekly working hours are for office based staff
Office expenses	35% of weekly working hours are for office based staff
Travel and subsistence	35% of weekly working hours are for office based staff
Printing, postage and stationery	35% of weekly working hours are for office based staff
Governance costs	Governance for audit, accountancy and trustee costs incurred

As the Charitable Company has one charitable activity all support costs are allocated to this activity.

7. NET INCOMING RESOURCES - GROUP

	2019	2018
	£	£
Operating lease rentals	19,294	43,624
Depreciation	4,255	295
Fees payable to auditor for:		
- audit services rendered	6,250	6,901
- assurance services rendered	-	6,715

8. EMPLOYEES' REMUNERATION

a. Staff costs

	Total	Total
	2019	2018
	£	£
Staff costs during the period were:		
Wages and salaries	699,409	547,301
Social security costs	41,801	27,750
Other pension costs	37,391	30,667
	778,601	605,718
	<hr/>	<hr/>
Staff redundancy costs	234	11,146
	778,835	616,864
	<hr/>	<hr/>

The total amount of redundancy costs paid during the year to 31 March 2019 was £234 (2018: £11,146). This payment relates to the voluntary redundancy of the Finance Manager as described in Section 7, Page 17 of the Trustees Report.

Redundancy costs are recognised in the period to which they relate. At the balance sheet date there were no outstanding liabilities arising as a result of a reorganisation in the year.

b. Staff numbers

The average number of persons employed by the charitable company during the period was as follows:

	2019	2018
	No.	No.
Charitable activities	48	43
Support	3	3
Governance	1	1
	52	47
	<hr/>	<hr/>

c. Higher paid staff

No employees had employee benefits in excess of £60,000 (2018: £Nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The charity trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2018: £Nil) and Nil (2018: Nil) trustees were reimbursed travel expenses of £Nil (2018: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £Nil).

8. EMPLOYEES' REMUNERATION

d. Key management personnel

Key management personnel are considered to be those personnel who are not trustees but sit within key operational and strategic roles for the Charitable Company.

The total employment benefits of the key management personnel were £139,701 (2018: £137,125) which consisted of gross pay, employers' national insurance and employers' pension cost.

During the year, redundancy payments, time in lieu and holiday payments of £234 (2018: £11,146) were paid to former key management personnel.

9. TAXATION

As a registered Charitable Company, Age Concern Morgannwg Limited is entitled to the exemptions from taxation in respect of income and capital gains received within Sections 478 - 489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects purposes only.

10. CHARITABLE COMPANY RESULTS

The Charitable Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income and expenditure accounts in these financial statements. The results of Age Concern Morgannwg Limited (the Charitable Company) are:

	Total	Total
	2019	2018
	£	£
Total incoming resources	1,033,291	954,189
Total resources expended	(1,095,145)	(888,010)
Net outgoing resources and Net movement in funds	(61,854)	(66,179)
Funds:		
At 1 April 2018	<u>504,326</u>	<u>438,147</u>
At 31 March 2019	<u>442,472</u>	<u>504,326</u>

11. TANGIBLE FIXED ASSETS (GROUP & CHARITY)

	Long leasehold property improvements £	Motor Vehicles £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2018	-	-	19,416	19,416
Additions	67,366	36,567	9,795	113,727
	<u>67,366</u>	<u>36,567</u>	<u>29,211</u>	<u>133,143</u>
Depreciation				
At 1 April 2018	-	-	19,416	19,416
Charged in year	872	1,524	1,859	4,255
At 31 March 2019	<u>872</u>	<u>1,524</u>	<u>21,275</u>	<u>23,671</u>
Net book values				
At 31 March 2019	<u>66,494</u>	<u>35,043</u>	<u>7,936</u>	<u>109,473</u>
At 31 March 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

12. INVESTMENTS – LONG-TERM

	31 March 2019		31 March 2018	
	Group £	Charity £	Group £	Charity £
Cost at 1 April 2018 and 31 March 2019	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>

12. INVESTMENTS – LONG-TERM (CONTINUED)

Subsidiary undertakings

	Country of Incorporation	Principal Activity	Class	%
Age Concern Morgannwg Trading Limited	England & Wales	General commercial activities to include insurance, funeral plan and equity release commission	Ordinary	100

(Company Number: 03942402)

	2019	2018
	£	£
Capital and reserves	4,505	4,827
(Loss) for the year	(322)	(3,919)

This subsidiary's results are included in these consolidated financial statements.

The charity also has an interest in the following

	Country of Incorporation	Address	Ownership	%
Age Concern Morgannwg	Dormant Charity	5-7 Mill Street Pontypridd Rhondda Cynon Taff CF37 2SN	Unincorporated	100

13. INVESTMENTS – SHORT-TERM

	31 March 2019		31 March 2018	
	Group	Charity	Group	Charity
	£	£	£	£
Cash deposits	<u>153,510</u>	<u>153,510</u>	<u>152,586</u>	<u>152,586</u>

14. DEBTORS

	31 March 2019		31 March 2018	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	198,193	198,193	98,121	98,121
Amounts owed by group undertakings	-	3,919	-	3,919
Prepayments and accrued income	41,681	41,681	70,924	70,924
	<u>239,874</u>	<u>243,793</u>	<u>169,045</u>	<u>172,964</u>

Trade Debtors are stated after provisions for impairment of £nil (2018: £nil)

15. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	31 March 2019		31 March 2018	
	Group	Charity	Group	Charity
	£	£	£	£
Trade creditors	33,115	33,115	7,440	7,440
Accruals and deferred income	120,505	117,257	14,417	11,668
Social security and other taxes	16,729	16,729	12,351	12,351
	<u>170,349</u>	<u>167,101</u>	<u>34,208</u>	<u>31,459</u>

Included in accruals and deferred income above is the following deferred income:

	31 March 2019		31 March 2018	
	Group	Charity	Group	Charity
	£	£	£	£
As at 1 April 2018	3,097	3,097	16,874	16,874
Amounts released to incoming resources	(3,097)	(3,097)	(13,777)	(13,777)
Amounts deferred in the year	88,188	88,188	-	-
As at 31 March 2019	<u>88,188</u>	<u>88,188</u>	<u>3,097</u>	<u>3,097</u>

16. PROVISIONS FOR LIABILITIES

	Dilapidation £
At 1 April 2018	25,720
Charge to the Statement of Financial Activities	1,780
At 31 March 2019	27,500

The charitable company has provided £27,500 (2018: £25,720) in respect of dilapidation costs in connection with the lease held at Taff Street, Pontypridd, whose term expired in the financial year ended 31 March 2019. During the year £1,780 (2017: £2,280 released) was charged into the Statement of Financial Activities.

17. ANALYSIS OF FUNDS (GROUP)

	Balance at 31-Mar 2018 £	Incoming resources £	Resources expended £	Gains, losses and Transfers £	Balance at 31-Mar 2019 £
Designated funds					
Age Connects Wales	4,000	-	(2,000)	-	2,000
Development of Trading Opportunities	26,600	-	(1,600)	-	25,000
Building maintenance	7,483	-	(7,483)	-	-
Provision of service user events	7,497	-	(7,497)	-	-
Disaster recovery	20,000	-	-	-	20,000
Befriending	21,590	-	(21,590)	-	-
	87,170	-	(40,170)	-	47,000
Unrestricted funds					
General funds	264,585	138,957	(254,770)		148,772

Designated Funds were reviewed and designation revised in the year.

17. ANALYSIS OF FUNDS (GROUP) (CONTINUED)

	Balance at 31-Mar 2018	Incoming resources	Resources expended	Gains, losses and Transfers	Balance at 31-Mar 2019
	£	£	£	£	£
Restricted funds					
RCT SLA	42,027	213,728	(243,364)	-	12,391
Cwm Taf UHB	17,167	209,727	(208,706)	-	18,188
Merthyr Tydfil Supporting People	15,861	16,902	(15,295)	-	17,468
Bridgend LHB	44,417	83,523	(87,625)	-	40,315
Bridgend CBC Minerva Street	3,377	19,503	(17,961)	-	4,919
RCT Independent Advocacy	1,764	25,000	(26,764)	-	-
Royal Glamorgan Hospital to Home	17,170	48,812	(48,062)	-	17,920
RCT OPAG	(49)	5,000	(4,951)	-	-
Pen y Cymoedd	-	70,000	(70,000)	-	-
The National Lottery Community Fund	-	75,000	(75,000)	-	-
ICF Capital	-	80,312	(872)	-	79,440
ICF Vehicles	-	47,135	(2,235)	-	44,900
Money Matters (CF Wales)	(803)	-	-	-	(803)
Lloyds	7,500	-	-	-	7,500
Bridgend Preventative Care	8,964	-	-	-	8,964
	157,395	894,642	(800,835)	-	251,202
Total funds	509,150	1,033,599	(1,095,775)	-	446,974

Included within the above general funds are funds of the subsidiary amounting to £4,505 (2018: £4,827), all of which are unrestricted.

Designated Funds

ACW	For Age Concern Morgannwg share of funding costs of ACW.
Developing of Trading Opportunities	To facilitate new trading opportunities for the charity.
Building Maintenance	To fund future office maintenance including costs associated with existing and future premises plans
Provisions for Service Users	Funding raised at service user events and retained to support funding for future service user events.

17. ANALYSIS OF FUNDS (GROUP) (CONTINUED)

Disaster Recovery	To fund any unforeseen, emergency costs relating to the information technology infrastructure, premises costs or loss of business as a result of fire, flood or malicious content.
Befriending	To develop a volunteer led befriending service throughout the area of benefit covered by the Charitable Company.
<u>Unrestricted funds</u>	General funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charitable Company.
<u>Restricted Funds</u>	
RCT SLA	Funding to provide effective support and administration for members of the 50 Plus forum and the development thereof. Funding provided to also assist users to live independently following discharge from hospital and to provide activities within resource centres for people with dementia.
Cwm Taf UHB	To fund the primary care service which provides early intervention and support to people considered to be at risk of hospital admission and suffering from isolation and/or depression.
Merthyr Tydfil Supporting People	Funding for the provision of Supporting People Services.
Bridgend LHB	Funding to enable elderly people, including those with mental illness to return to independent living following discharge from hospital.
Bridgend CBC Minerva Street	Funding to promote independence and inclusion by providing meaningful activities and support to individuals who have dementia and attend the Council's Day Services at Bridgend Resource Centre.
RCT Independent Advocacy	Funding to provide independent advocacy to adults and/or their carers aged 50 and over who meet the criteria of having a care and support plan or requiring support to access the information, advice and assistance service.
Royal Glamorgan Hospital to Home	Funding to allow the Charitable Company to continue to provide the early Discharge service in the Royal Glamorgan Hospital and Prince Charles Hospital.
RCT OPAG	Funding to oversee the activity of the five 50+ Forums in RCT. The funding is to help support running costs and event costs.
Pen y Cymoedd	Revenue funding to support the delivery of the Cynon Linc Project.
The National Lottery Community Fund	Community Asset Transfer Programme to provide revenue and capital funding to deliver the Cynon Linc Project.

17. ANALYSIS OF FUNDS (GROUP) (CONTINUED)

ICF Capital	Welsh Government funding to support large capital projects that contribute to Health and Social Care.
ICF Vehicles	Welsh Government funding to support small capital projects that contribute to Health and Social Care.
Money Matters (Community Foundation Wales)	Funding to provide community based money advice service for elderly people living in the Merthyr Tydfil area.
Lloyds	This grant funds part of the salary of a Quality Coordinator for Age Morgannwg. The Coordinator will be part of the operational management team and work under the direction of the Operations Manager.
Bridgend Preventative Care	Funding to identify older people who feel isolated and/or lonely and who are at risk of admission to hospital or premature entry to residential care.

18. LEGAL STATUS OF THE CHARITABLE COMPANY

The Charitable Company is a private company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Charitable Company in the event of liquidation. Further information regarding the registered office and the description of its operations and objectives is within the Trustees Annual Report.

19. NET ASSET BY FUNDS

Fund balances at 31st March 2019 are represented by:

	Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£	£
Tangible fixed assets	-	109,473	109,473	-
Current assets	305,433	229,917	535,350	569,078
Current liabilities	(82,161)	(88,188)	(170,349)	(34,208)
Provisions for liabilities	(27,500)	-	(27,500)	(25,720)
Total net assets	195,772	251,202	446,974	509,150

20. LEASE COMMITMENTS

Operating Leases

At 31 March 2019 the total of the Group's future minimum lease payments under non-cancellable operating leases was:

	2019	2018
	£	£
Amounts due within one year	20,963	1,315
Amounts due between one and five years	44,227	3,280
Amounts due after five years	-	-
	65,190	4,595

21. PENSIONS

The Charitable Company operates a defined contribution pension scheme. The pension costs charged for the period presents contributions payable by the Charitable Company to the scheme and amounted to £37,391 (2018: £30,667).

There were no outstanding contributions at either the beginning or end of the financial year. The method of allocating the liability and expense is outlined under note 6 relating to support costs, but also on the basis of staff members who are working directly on restricted activities.

22. RELATED PARTY TRANSACTIONS

The Charitable Company is an active member of the Age Connects Partnership in Wales. The Partnership is made up of independent and autonomous Age Concern organisations, which share common aims and values working together to add value to the work and role of Age Concern in Wales.

The Charitable Company has claimed exemption under FRS 102 from disclosing intra group transactions with its wholly owned subsidiary entities.

Laith Khatib is a Trustee of the Charitable Company but is also a Director of Howells Solicitors. During the year the Charitable Company acquired services from Howells Solicitors amounting to £Nil (2018: £350). There was £Nil (2018: £244) owed to Howells Solicitors at the year ended 31 March 2019.

23. LEGACIES

The Charitable Company recognise legacy income when conditions for entitlement are met, the amount is quantifiable and receipt of the income is probable.