

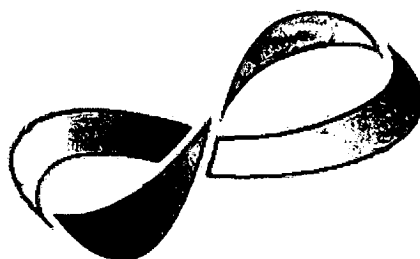


Age UK Lancashire

Limited by Guarantee

Annual Report and Consolidated Financial Statement
for the Year Ended 31st March 2018

Registered Charity Number: 1142294
Registered Company Number: 07200267



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Administrative Information

Trustees:

Julie Edmonds (formerly Curtis)

David Baker (from 28.6.17)

Jon Lenney (from 27.9.17)

Mark Johnson (from 16.8.17)

Catherine Wilkinson (from 01.05.18)

Mark Blanchard (from 01.05.18)

Paul Faulkner (from 01.05.18)

Julie Shorrocks (from 14.6.18)

Pat Barrek (Chair) – resigned 16.8.17

Christine Keenan – resigned 16.8.17

David Duckworth – resigned 31.01.18

Bernice Hardman – resigned 01.08.17

Brian Rees – resigned 30.11.17

Justine Dawson (commenced on 16.8.17, resigned on 25.09.17)

Kathryn Law (commenced on 16.8.17, resigned on 19.12.17)

David Acklam (resigned 01.06.18)

Vivien Mumford (Chair from 16.8.17 resigned 28.09.18)

Jean-Bruno Villette (from 01.05.18)

Miles Lloyd (from 01.05.18)

Clare Barlow (from 01.05.18)

Company Secretary:

Stephanie Tufft (resigned 02.11.17)

Julie Edmonds (formerly Curtis) (from 02.11.17)

Co-opted Members

Zoe Fleming (Strategic Planning Committee)

Chief Executive:

Teri Stephenson (appointed 23.05.18)

Sean Sullivan Interim CEO (November 2017- May 2018)

Stephanie Tufft (resigned 2.11.17)

Executive Management Team:

Alison Read, Engagement Director

Donna Studholme, Operations Director

Nicola Hunt, Finance Director (Resigned 30.9.17)

Deborah Kirkup, Business Development Director (redundant 30.06.18)

Principal Charity Office:

Suite 22, Railway House
Railway Road
Chorley
PR6 OHW

Registered Charity Number:

1142294

Registered Company Number:

07200267

Auditors:

Beever and Struthers
Central Buildings
Richmond Terrace
Blackburn
BB1 7AP

Bankers:

Lloyds
Merchants Court
2-12 Lord Street
Liverpool
L2 1TS

Message from our Trustees

On behalf of the Age UK Lancashire Board of Trustees, I am very pleased to present our Annual Report and Financial Statements for the year ended 31st March 2018.

This has been a pivotal year in our organisation's history. Like many other charities, we have faced a number of financial challenges over the past few years. This year, we carried out wide-ranging reviews into our service and operating models in order to assure their sustainability. Consequently, we made many positive changes. We have now increased the range of our services, deliver them more efficiently, and have reduced our costs. We end this financial year with a small surplus in the charity and confidence that we can further improve our capacity to provide high-quality services to the older people of Lancashire and North Sefton.

In the future, according to our research, our services will be needed more and more. The number of people aged 80 and over is set to increase significantly, as is the number of older people suffering from complex health problems. Those continuing to live in their own homes may require support to do so. There is a great need for services that combat social isolation, which can adversely impact on so many aspects of an individual's life.

We are justly proud of the services we offer – details of which can be found within this report. We are fortunate to have such an excellent and committed workforce of staff and volunteers, led by our new Chief Executive, Teri Stephenson. I have no doubt that they will rise magnificently to the challenges which an increasing need for our services in a difficult external environment will inevitably bring.

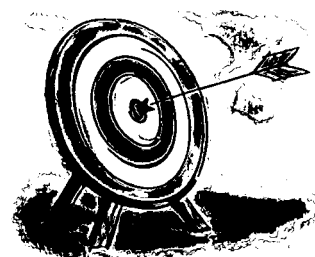
To ensure that Teri and her colleagues have the best possible strategic leadership and support, we have this year recruited and inducted several highly-qualified new Trustees. They bring a wide range of valuable skills and experience to our organisation. The names of our present Board (who are also Directors of Age UK Lancashire for the purposes of Company Law) together with the names of Trustees who served during the financial year 2017/18, are listed in the administrative information section.

Our goal for the new financial year is to build on our achievements so that we can support an increasing number of local older people to enjoy life as much as possible.

 14/4/18
Julie Shorrock

On behalf of the Board of Trustees

Aims & Objectives



The object of Age UK Lancashire is set out in the Memorandum and Articles of Association to;

“Promote the relief of elderly people in any manner which now or hereafter may be deemed by law to be charitable, in and around Lancashire”

Age UK Lancashire’s vision is:

A vision for Lancashire where those in later life can make positive contributions to the communities they live in, make informed choices and retain their independence and wellbeing.

We achieve this through our Mission by:

- Positively engaging with people in later life, their families and carers;
- Providing high quality responsive services to meet their needs;
- Campaigning and awareness raising around the issues and challenges faced in later life and by:
- Loving later life and encouraging others to love and value those in later life too.

Strategy and Plans



Three Year Strategic Aims

A medium term 3 year strategy is expressed through clear aims to:

- Engage more people in later life in our services with relevant, sustainable, integrated and inclusive provision available across the diversity of Lancashire's communities;
- Offer high quality, innovative and responsive services, an organisation with a culture of continuous improvement;
- Develop and retain highly skilled and resilient leadership and management, ensuring that we develop and sustain the capability and capacity to enable us to operate effectively and efficiently across the county.

2017/18 Annual Plan

Annual plans are developed to ensure we deliver these aims through key success measures.

The Chief Executive reports to the Board of Trustees on progress against the annual plan.

The current 3 year strategy ends December 2018 and development of a new strategy under the leadership of the new CEO has begun.

This is the final year in our three year cycle and included a number of key achievements:

- The contribution of our fundraising activities including retail and community based fundraising has been maintained.
- A significant amount of work has taken place to ensure our compliance with the General Data Protection Regulations which came into force in May.
- The organisation was proud to achieve its Age UK Information and Advice Quality standard, which has passported us through to the nationally recognised Advice Quality Standard.
- Following successful funding bids we introduced a number of new services this year, including a project to support older Lancashire Veterans, and an End of Life pathfinder, which is funded by Age UK. We also secured additional funding for our Information & Advice Team from The Eric Wright Trust.
- Our innovative Integrated Care Service was commissioned for a further 12 months by East Lancashire CCG
- Our E-learning has continued to be a valuable tool in ensuring that our staff are fully trained in both core and additional training. A valuable addition to the training suite was the GDPR module for all staff.

How Our Work Delivers Public Benefit

The Trustees have considered the Charity Commission guidance regarding public benefit and are satisfied that the charity's activities do provide public benefit. The "beneficial purpose" requirement is met through our vision which describes how we benefit those in later life and our mission which describes how we achieve this. The nature and size of our beneficiary group (over 50's) and in turn associated families, friends and carers of that group in Lancashire and North Sefton meet the "public" requirement.

We provide varied services across Lancashire and North Sefton and remain proud of our commitment to providing excellent quality customer services, which have a positive benefit on our customers enabling them to remain independent and having choice and control over their lives.

This report provides a brief insight into our work this year and the difference this has made to older people across the county.

Services delivered this year include;

- Integrated Care
- Home Help Service
- Day Time Support
- Dementia Support
- Foot Care
- Hospital After Care Service
- Resource Centres
- Information & Advice
- Community Engagement
- Campaigning
- Winter Health
- End of Life Pathfinder
- Veterans Service
- Age of Opportunity
- Retail



Our Services & Their Impact

Community Engagement:

Our community engagement has gone from strength to strength and we are rightfully proud of our positive and productive engagement with communities across Lancashire.

This is vital work to enable older people across Lancashire to stay connected and reduce isolation.

Following the closure of Age UK Blackpool in January 2017 Age UK Lancashire received a grant from Age UK National to undergo consultation work with older people in Blackpool and build links with organisations within the town. Age UK Lancashire also received a grant from Santander to set up exercise groups in the district and these combined grants enabled the recruitment of a Community Engagement Worker for the Blackpool district.

Following a series of consultation events, exercise groups were set up in a variety of different settings including two sheltered housing schemes, two community centres and a day care facility. These were established on a sustainable basis and the host organisations took over the running of the sessions after 6 months. These are now being delivered successfully by either volunteers or community workers from Blackpool or Fleetwood Town Football Clubs. Feedback from attendees included:


"Whilst the needs of the oldest and most incapacitated were met it was made fun for all and we felt we had 'worked out' by the end of the session, which is what it is all about!"

The Community Engagement Team has undertaken a series of innovative projects to help raise the awareness of loneliness across the county. This included co-hosting a Loneliness Summit at Lancaster Town Hall in December 2017 which was attended by local primary and secondary school children and councillors as well as over 40 local community groups and third sector organisations. The event was extremely well received and has led to many unexpected outcomes including a mental health charity and local school getting together for craft activities, closer partnership working between local organisations and with councillors as well as the re-launch of the Lancaster and Morecambe Older People's Forum.

The first meeting of the Lancaster and Morecambe older people's forum for over 4 years took place in March 2018 and was attended by representatives of 13 local organisations. A website, Facebook page and twitter account were quickly launched, logos designed and the first of a series of events for older people planned to coincide with the Jo Cox Great Get Together Weekend in June.

The Community Engagement Manager was involved in the co-production of 10,000 loneliness awareness leaflets in partnership with Southport Rotary Club, Southport Older People's Advocacy Service and Southport and Ormskirk Hospitals. This slim booklet provides information on services, groups and clubs in the district and is being distributed by hospital discharge team, pharmacists, GPs and day clinics to encourage lonely people to become more active and involved.

In addition the Community Engagement Manager was approached by Trustees of a small village charitable trust to help them develop a Community Hub. This was very successfully launched as the First Tuesday Hub in April 2017. The monthly meetings will be themed throughout the year to help inform local inhabitants of local services and support as well as activities available in their immediate vicinity. One of the Trustees commented after the launch that;



"We could not have done it without Age UK Lancashire's network, contacts and experience."

Integrated Care

We were delighted that our innovative Integrated Care model was re-commissioned by East Lancs CCG for a further year, although the amount of funding received this year is less meaning that we are now only able to provide 35 hours per week of staffing in each borough, rather than the previous 52 hours per week. Despite the reduction in provision the service continues to deliver positive outcomes with older people in East Lancs and demand for the service by GPs and other clinicians continues to grow.

During this year we have been proud to be invited to play a key role in a piece of research commissioned by National Institute for Health Research (NIHR), which is being undertaken by Bradford University. The Personalised Care Plans for Older Adults with Frailty study overarching aim is to establish whether personalised care planning (PCP) for older people with frailty improves quality of life and reduces health and social care resource use at 12 months. Our Integrated Care Service was chosen as a key site, as the service is a person-centred model that has stayed true to the original rationale. We look forward to continuing to participate in this research and to benefit from the learning, in 2018-19.

Case Study from Integrated Care Service

ICP case study:-The client is a 76 years old male living with his carer wife in a privately rented property. The client relies heavily on his wife for help with daily living tasks and their situation had become quite difficult for them to manage. In addition he was unable to leave home without support and he had become lonely and isolated.

The client had an unplanned hospital admission during our support phase due to a TIA. He is also diabetic, has coronary heart disease, arthritis and had recent diagnosis of Alzheimer's.

He was referred to us by the Integrated Neighborhood Team due to concerns raised by their GP as a result of a recent diagnosis of Alzheimer's, a stroke resulting in a hospital admission and the death of his grandchild.

The Personal Independence Co-coordinator arranged an urgent home visit as the client's wife felt she was having a breakdown and feeling suicidal.

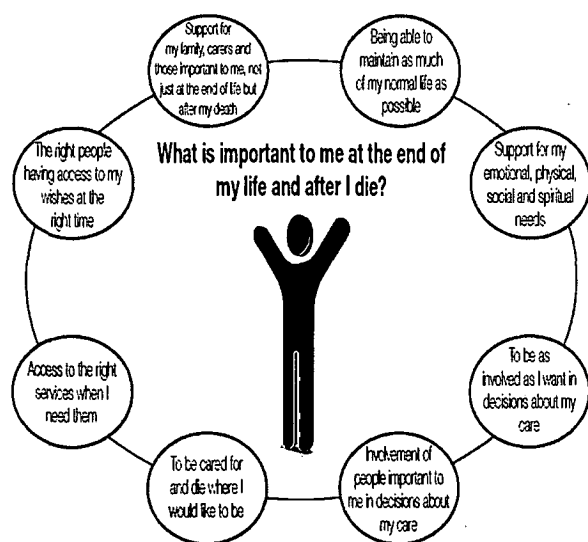
Their landlord had declined aids/adaptations to be fitted due to rent arrears.

Our intervention lead to the following outcomes;

- Medication is now being delivered to the home in blister packs;
- Foot-care practitioner in contact with the client;
- New housing sorted and debt removed by the council
- OT assessment for aids and adaptation in their new home
- Veterans service and Community Transport provide support with attending social groups
- Bereavement counselling arranged
- Blue badge was given so they could go out more
- 100 hours respite offered through Alzheimer's Association Carers peace of mind service was set up
- The Client is now more optimistic and confident about their future in their new home and able to go on holiday as they are now debt free.

End of life pathfinder

Age UK Lancashire are half way through delivering an 18 month end of life pathfinder in Ribblesdale, having been successful in our application to Age UK nationally to take part in this ground breaking work. The pathfinder aims to work with up to 100 older people who have been identified as likely to be in the last 12 months of life, using clinical judgement and a data-led approach. Our Personal Independence Co-ordinators use a guided conversation model to help older people to identify their goals and wishes, focusing particularly on advanced care planning and supporting them to think about their wishes for how they wish to live and die over the coming months. The pathfinder is being evaluated by Lancaster University with the results available in spring 2019, but early indications are showing that there is a need for this level of support and planning and that both clinicians and older people and their carers are benefitting.



Veteran's Service

We are delighted to have launched our new Lancashire Older Veterans service, having been awarded funding from the Aged Veterans Fund, funded by the Chancellor using LIBOR funds. This valuable service gives up to 12 weeks tailored support for

older veterans, providing information and advice, practical support at home, access to social events and opportunities to become more active.

This project allows us to build on the work we already do with older people and to reach out to those veterans, family members and carers who may need more support.

Age of Opportunity

Age UK Greater Lancashire CIC is a leading delivery partner in the Age of Opportunity, a Lancashire-wide project that is part of Lancashire's Building Better Opportunities (BBO) programme, a nationwide programme which brings together funding from the Big Lottery Fund and the European Social Fund (ESF) to help tackle the poverty and social exclusion faced by the most disadvantaged people in England.



Age UK Lancashire and our partner Age UK Blackburn with Darwen jointly own Age UK Greater Lancashire CIC.



Age of Opportunity engages people who are 50+ and who have low or no skills, to support them in moving towards employment. The project is focused on the barriers to training, work and employment, and addressing these barriers.

Age UK Greater Lancashire's team of Navigators are the first point of contact for participants under this project. We work with participants to understand their interests, aspirations and barriers to work or training. Each individual is then directed within our partner network for specialist support that helps them to engage in training and work readiness activity.

Home Help Service

A Home Help service operates across Lancashire and North Sefton.

667 customers used the service in 2017/2018 purchasing 29,409 hours of home help at home.

We carry out a thorough assessment of need, ensuring that we provide the right level of service and input with the aim of working with our customers to ensure that they can maintain their independence at home for as long as possible by the delivery of;

- Cleaning
- Shopping
- Laundry
- De-cluttering
- Preparing the home for family events etc.
- Paying bill & assistance with paperwork and dealing with mail

Case Study – Home Help Service

The service has been supporting Mr W for the last 2 years. Initially we used to just take Mr W shopping, which enabled him to get 'out and about' and keep active.

As time passed, Mr W's mobility deteriorated following a spell of illness and we arranged to do the shopping on his behalf. However, Mr W's mobility did allow us to be able to accompany him to appointments, as he could get in and out of a car. Our service increased and we now clean his home and do any other similar tasks needed. Mr W looks forward to our visits and he enjoys seeing a familiar face every week. We keep in touch with Mr W's family who also provide lots of support and they have the reassurance of knowing our help is there too.

Day Time Support

We have 8 Daytime support Centres across the County in the following locations:

- Ormskirk
- Skelmersdale
- Hesketh Bank,
- Garstang,
- Burnley (Crow Wood & Burnley)
- Padiham
- Nelson.

We offer standard (6:1 customer to staff ratio) and enhanced (3:1 customer to staff ratio) places at each centre.

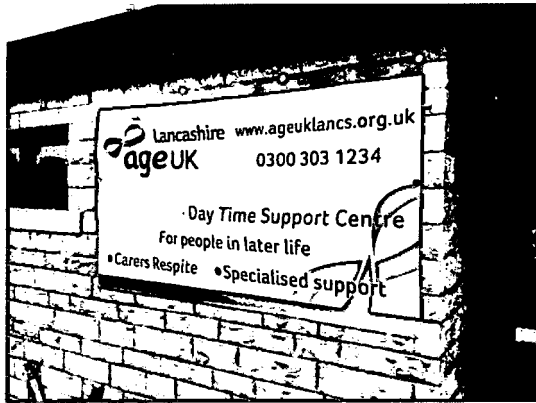
Our customers are supported by a team of support workers and volunteers who are all trained in Age UK Lancashire's mandatory training. Staff and volunteers undertake mandatory training courses, for example in: Safeguarding, Equality and Diversity, The Mental Capacity Act, Information governance plus many more, all of which are accessible online

We are able to offer approximately 250 places a week, and have supported 316 day time support members who have attended one or more of the centres 12,968 times over the year.

Members are involved in a range of activities throughout the day and also enjoy a hot 2 course lunch. We provide transport for those who would not be able to access the centres otherwise.

Attending the Daytime Support centres provides older people with the opportunity to demonstrate and share existing skills and to learn new ones. Our centres offer the choice to be involved in exercise, dancing, enjoy music and singing and to also take part in crafts and computer classes.

As all the centres are embedded within their communities, we actively promote other local organisations to come and talk to our members about additional services they are able to access to support them to remain independent.



Throughout the year we have held events to celebrate special occasions such as birthdays, Older People's Day and Xmas etc., where families and carers are invited to join members, staff and volunteers for activities and celebrations.



Foot Care

This service is vital for those who are finding it challenging to keep their feet and toe nails healthy.

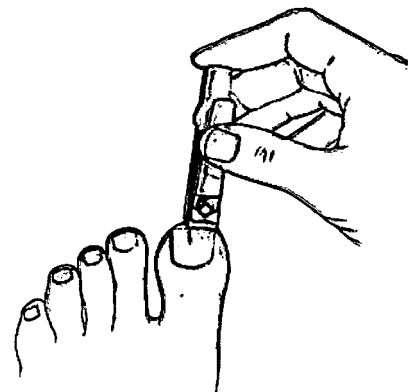
Many of those older people who do struggle are at a higher risk of having a trip or a fall.

Our service which operates across Chorley and West Lancashire is CQC registered (rated good in all areas) and offers community, clinic and home visits 5 days per week.

We have opened a new clinic at Sandy Lane Health Centre in Skelmersdale, which has been a huge success.

We work in partnership with Lancashire Care Foundation Trust and Virgin Care who provide our podiatry support for both initial assessments and ongoing training and support for our practitioners.

We currently have 734 customers accessing the service and over the last year have attended a clinic 2,754 times



Hospital After Care Service

The Hospital After Care service forms part of intermediate care, which is a range of integrated services and supports the promotion of independence and a speedier recovery from illness or a stay in hospital.

The service aims to prevent unnecessary, acute hospital admissions and assists with hospital discharges, ensuring patients are escorted home safely and in a timely manner, avoiding lengthy stays in hospital when they are medically fit to go home.

The Service operates across Pennine Lancashire offering a Take Home and Settle element followed by a Tier 2 service, which includes up to 6 weeks of practical and emotional support where appropriate. A smaller Tier 2 service, operates across North Lancashire offering up to 2 weeks of support.

Our service works in partnership with the NHS, CCG's and the Local Authority and is available 7 days per week, 365 days per year. In the last year, 2288 adults were referred into the service with only 1% requiring a readmission within 28 days against a target of 4%.

A flavour of the responses to the service:

- The service of Age UK Lancashire is very good and helpful. I would not have been able to manage without them.*
- It has helped to make me independent again because I have no family to rely on. I have not needed to ask/ burden anyone due to using your service.*
- On behalf of my mother "I wish to compliment all the staff who visited me in my home. I don't know what I would have done without them. I'm on the mend and hope to be able to regain my independence soon".*

Mr S is an independent elderly gentleman who had become very isolated; living alone with very little contact from his family or the local community. He attended the Accident and Emergency department following a fall at home and the hospital were considering admitting him due to their concerns about his situation at home. Mr S was referred to the Hospital Aftercare Service who were able to immediately assess his situation and confirm that we would be able to accompany him home, as there were no medical reasons for him to be admitted to hospital.

We found Mr S to be living in very poor conditions with no working equipment for him to be able to cook a hot meal. He had a problem with his bed and had been sleeping on the sofa. We were able to resolve these issues straight away by taking him shopping to purchase a new kettle, toaster and microwave. We were also able to arrange for a new mattress for his bed to be ordered and delivered to his home within a couple of days.

There were no aids or adaptations in Mr S's home. We referred him for an urgent mobility assessment, resulting in him being provided with the necessary support such as rails near the stairs and in the bathroom, providing a much safer environment for him and reduced the risk of him falling again and returning to hospital.

Whilst Mr S wanted to maintain his feelings of independence, he was very grateful for our help, resulting in his situation at home being greatly improved. He was also more receptive due to our involvement, to be referred to other services such as the AUKL Integrated Care service which could support him further, by helping increase his confidence and reducing the current situation where he was very isolated.

Resource Centres

Resource centres around the county provide space and comfort for older people to meet new and existing friends whilst enjoying a variety of activities including arts and crafts, chair based exercise, computer classes, coffee mornings, tea dances and many more. The centres also provide a venue for daytime support services and lunch clubs where older people can enjoy healthy meals whilst socialising with others.

The Centres are also available for private hire to local organisations in the evenings and weekends and offer fully accessible facilities at competitive rates. These are available at Knight Hill House, Padiham, Walton Lane, Nelson.

In addition to these we also have The Lifestyle Centre in Chorley, which is open Monday – Friday, 9.00 am to 4.30 pm and has a calendar of events running throughout the year. The Centre has a drop in café where hot and cold drinks and lunches are served daily. During the week, there are arts, IT, gardening groups and everybody is welcome to drop in and see what is on offer throughout the week. This Centre is also available for hire midweek, evenings and weekends for the local community.

Our other Centre is based on Moorgate, in Ormskirk. Again, the centre is open every day of the week, with different activities available each day. All centres are supported by both paid staff and dedicated volunteers.

Retail

We have continued to benefit from the operation of our 9 charity shops across Lancashire, which have contributed a total of £125,804 (after direct costs) towards our costs and delivery of our vital services during the year.

Our shops can be found in the following locations;

- Bispham
- Carnforth
- Clitheroe
- Garstang
- Lytham
- Nelson
- Oswaldtwistle
- Preston
- St Annes

We are members of the Charity retail Association.

Charity Retail Association®

The voice of charity retail

We thank our local communities for their continued support in the provision of saleable goods, the profits of which go towards the delivery of our vital work across Lancashire.



Information & Advice & 0300 Customer Services

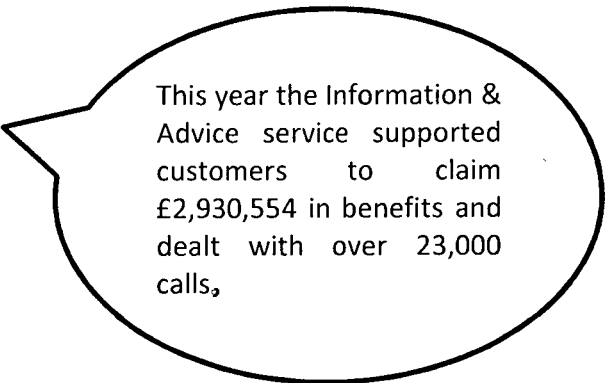
Our Information & Advice service provides free, confidential and high quality information and advice for older people and their families and carers and continues to be one of our core services at Age UK Lancashire, as well as being a condition of our brand partner agreement with Age UK.

Case study:

We were contacted by the son of Mrs X, for help completing an Attendance Allowance form. Mrs X has had cancer, is bed bound and has later stage dementia so would be unable to attend the office or contribute to the form being completed. Her son came into the office and we completed the form.

In January the son contacted us again as his father's health had deteriorated rapidly since he began caring for his wife.

We did a home visit as Mr X was concerned about leaving his wife to attend an appointment at the office. Whilst there we completed an Attendance Allowance form, an online Blue Badge application, and carried out a benefit check. A care package was already in place for Mrs X with some of the carer's time being allocated for Mr X.



This year the Information & Advice service supported customers to claim £2,930,554 in benefits and dealt with over 23,000 calls,

The benefit check showed there to be eligibility to £6.36 Pension Credit and £21.68 Council Tax Support per week.

As Mr X is caring for his wife full-time, despite his own health problems, we suggested he apply for Carers Allowance.

As the property is in Council Tax Band B, we advised him to contact the council about dropping a band as his wife has a hospital bed in the living room.

Outcomes

- Mrs X awarded higher rate AA (as expected).
- Mr X awarded lower rate AA (as expected).
- Mr X awarded Carers Allowance
- Pension Credit increased from £9.16 p/w to £153.37 p/w
- Council Tax charge reduced to £5.16 for the year
- Blue Badge granted.
- Overall income has increased by £282.96 per week
- They will now be able to get out more as they have a Blue Badge

Campaigns

Supported by Age UK, Age UK Lancashire invests in campaigns to raise awareness of the issues facing older people in our communities.

In the year, we have focused in some key areas:

Winter Warmth

We provided information on staying warm and well in the winter months; supplying room thermometers, recipe books featuring healthy and affordable options, displayed posters in centres and shops with advice. We did radio interviews with BBC Radio Lancashire and Chorley FM discussing the extra financial support older people are entitled to over winter and how they can access this. Alongside this we did a social media campaign providing top tips to stay healthy and information on all the advice and support available.



64°F (18°C) is the ideal temperature for your bedroom

The cold thickens blood and increases blood pressure, which is bad for your health. **Check your thermostat or use a room thermometer to monitor temperature.**

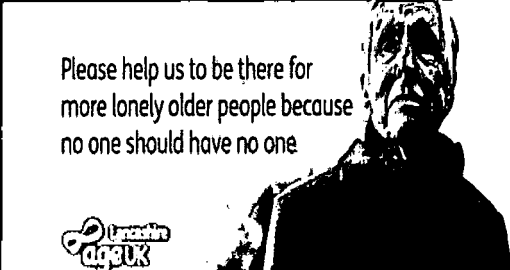
For more information or for your free copy of our Winter Wrapped Up guide, visit www.spreadthewarmth.org.uk or call Age UK Advice free on 0800 169 6565.

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No One Should Have No One

We supported the national campaign to end loneliness by highlighting the negative impact social isolation can have on an individual and the wider health service.

We displayed posters in our shops and offices, gave radio interviews to BBC Radio Lancashire and Chorley FM. Gained good written press coverage including a full editorial in the Lancashire Telegraph featuring case studies. We did a full social media campaign which reached 16,666 people and had 309 interactions.




Please help us to be there for more lonely older people because no one should have no one

Age UK

Painful Journeys

A campaign to highlight the issues many older people face with poor quality transport to and from hospital appointments. The focus was on encouraging the 13 local MP's to write to the Department of Health Minister highlighting the issue and ensuring the Government are aware the situation needs addressing, and providing campaign cards for the public to fill in. We had support from 3 MP's and a direct response from the Government promising to ensure local CCGs engage in the Patient Transport Service programme.



Painful Journeys

Why getting to hospital appointments is a major issue for older people

Community Based Fundraising

Our fundraising activities this year have raised £18,405 of income to support our vital work.

Staff and volunteers from across the charity and trading company support the fundraising manager to hold community based events and undertake a wide range of sponsored activities.

We would like to thank everyone who donated or raised funds for Age UK Lancashire this year. We value every single contribution, no matter how small and strive to make the most of every penny of income received.

Some of the highlights of our fundraising this year include;

The Big Knit – this year we raised £1,165 by achieving our knitted hats target of 4660. We encourage people to knit hats that go on Innocent Smoothie bottles and are then sold in retail outlets. We receive 25p per hat we send in.



Canoe Challenge – now in its 4th year the event goes from strength to strength and raised over £5,500 in March. 26 people took part travelling 25 miles from Preston to Lancaster along the Lancaster canal. This year's weather conditions were very tough meaning we had to finish at the 20 mile mark in Galgate, but that didn't dampen the

spirits with the participants delighted to be part of this unique event.



Donations – We receive many donations from regular giving, one off donors and gifts in memory. This year we collected £23,251 in total. We have seen a year on year increase in donations over the past 3 years, which enable us to continue some of our vital services. We are enormously grateful to everyone kind enough to make donations to us.

Team Fundraising – throughout the county our project teams support fundraising by holding special events, raffles and partaking in personal challenges. This year combined they raised £6,229. A highlight of this was Dawn Gash from the Home Help Service who travelled 874 miles from Lands' End to John O'Groats with her husband Shaun accompanied by friends at various points along the way. Dawn raised a fantastic £1,470 for her efforts.



As a member of the Fundraising Regulator we ensure we follow the guidelines

Carefully. Our community fundraising activities consist of hosting events, encouraging donations using donation forms and online giving, attending planned fundraising opportunities, approaching businesses for support and providing external fundraising opportunities to willing supporters. We do not contact any person or client to request support through any form of direct marketing.

Details of our fundraising procedure are on our management drive, developed with advice from the fundraising regulator and detail voluntary fundraising schemes or standards which we have agreed to. This includes the regulation scheme established by the Fundraising Regulator.

Our Promotions Manager monitors local activity into how our fundraising is carried out. We do not employ professional fundraisers, rather our approach to fundraising is to raise money in appropriate ways when we can.

We have had no failures of regulatory compliance this or any year.

No complaints regarding our fundraising activity have been received.

As a member of the Fundraising Regulator we have signed up to the Fundraising Preference Service. We receive a weekly notification of any suppression requests. We follow the suggested process of searching for that person on our IT systems. If the person does not currently exist on our system, we create them using basic information and suppress all communication channels. We then send an email to the FPS to inform them.

Volunteers

We continue to be extremely grateful for the generous contribution to our services provided by our valued volunteers.

During the year, we have benefitted from the contribution of 197 active volunteers who provide vital support in our charity shops and in our local provision. They carry out important support and add value across our services, for example helping people to complete paperwork to get a Blue Badge.

We thank them for their continued support and the fantastic effort that they put into supporting our work.

Future Plans

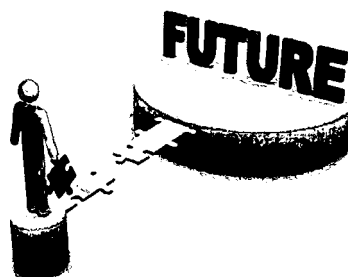
A new annual plan for 2019/22 takes the charity into a new three year plan.

- We will in September 2018 be assessed for the Charity Quality Standard, an important measure of many aspects of our governance, quality, strategy, planning and quality.
- August will see a renewal assessment for our ISO 9001 standard.
- We will implement a “buddy system” for our trustees to attach them to specific areas of the organisation in which they have an interest or expertise to maximise the sharing of good practice and learning. Trustees continue to take interest and responsibility for all areas of the business.
- We will introduce a new governance and Board structure (our Board and 4 Committees (Finance, Governance, and Business Development & Growth & Operations) will meet quarterly).
- We will expand the range of our colleague survey to ensure that our staff have a voice and that robust plans are in place to address issues as they arise. Linked to this, we will review our employee association group and make changes as suggested from the outcomes of the review.
- We will carry out a series of strategic planning workshops to consult the maximum number of people in our strategic planning – these workshops will include colleagues, volunteers, commissioners, stakeholders, trustees and customers.
- We will introduce an Employee Assistance Programme for the benefit of all of our colleagues and supporting them through stressful times.

- We will introduce a new employee handbook, bringing together all relevant documents for our staff.
- We will welcome new trustees and co-opted members to Age UK Lancashire as a result of recruitment started in 17-18.
- We will review our structures within the Senior Management Team to ensure that we have the appropriate roles and focus to meet the needs of our new strategy.
- We will put a strategy in place to diversify our funding streams to aid our long-term sustainability.
- We will explore options and viability of expanding our retail services.

The operating environment continues to be challenging, but we are an efficient & sustainable organisation who are future and solution focused.

We are committed to continuing to deliver excellent quality and life improving services to our customers and working in partnership with like-minded, value driven organisations to deliver innovative and high quality services across Lancashire & North Sefton.



Board Structure and Governance

Age UK Lancashire is an incorporated charity, a company limited by guarantee, registered with the Charity Commission and governed by its Memorandum and Articles of Association.

Although Age UK Lancashire is an independent and autonomous organisation, the charity remains a Brand Partner with Age UK (the national charity) and benefits considerably from this relationship.

The charity Board consists of a Chair and persons elected according to the process detailed within the Memorandum and Articles of Association. We also benefit from co-opted board members with specific skills, who attend board in addition to our trustees and provide much appreciated added value to our governance.

The Board has approved selection procedures for trustees. Successful candidates are elected at an Annual General Meeting or by co-option in accordance with the Articles of Association. Trustees may serve for three years from the date of their election and are eligible for re-election. The Chair may serve for a maximum of six consecutive years.

Board meetings take place quarterly. A Finance Committee provides assurance and expert support to the main Board. A Strategic Planning Committee has oversight of strategic planning and other areas of delegated responsibility from Board Trustees including policy oversight and development.

During the year 17-18, Board meetings were increased to monthly and other committees met less frequently in order to involve the full Board in future planning during a critical time for Age UK Lancashire.

Age UK Lancashire Trading Limited is a separate company which carries out regulated activities including arranging insurance. Independent Directors with relevant skills and knowledge have been recruited onto this Board. Profits from the Trading Company are gifted to the charity annually.

Statement of Trustees Responsibilities

The Trustees are required under the constitution of the charity to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its results for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statement of recommended practice have been followed subject to any departures disclosed and explained in the financial statements and;
- Prepare the financial statements on a "going concern" basis unless it is inappropriate to assume that the charity will continue in business

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and also for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate

and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees Induction

We ensure a thorough and detailed Trustee induction, led by the Board and supported by the Executive Management Team.

This year, we developed a new thorough Trustee Induction Pack ensuring that new Trustees are able to understand Age UK Lancashire and its services, engage quickly and make informed decisions.

Management

Day to day management of the charity is devolved to the Chief Executive who leads an Executive Management Team. The Chief Executive reports directly to the Board of Trustees, providing reports and papers to inform the Board meetings.

Subsequent to the resignation of the Finance Director, a Financial Controller has been appointed who joined the Senior Management Team (from May 18).

A schedule of meetings is maintained which includes a schedule for regular reports such as safeguarding, health and safety, information governance, complaints, finance, performance and quality and general policy and organisational updates as well as themed reports covering current topics and issues.

In addition, we have regular General Management Team meetings to involve managers of all levels across the organisation in planning and reviewing our

work, as well as to ensure cascade of information from senior managers.

Employees and Volunteers

In the year, the charity employed an average of 196 employees with 14.52% being full time, 72.58% being part time and an average of 12.9% working casually.

The capacity of the charity and trading company are significantly boosted by an average of 197 volunteers who dedicate time and skills across all areas of charity and add much value to our services. We have carried out a piece of work to ensure that we report only active volunteers. A move to recruit only against role profiles in previous years has reaped benefits ensuring that volunteers are now embedded in many more diverse functions.

An employee association has met during the year to ensure that the "voice" of staff can be heard and to promote wellbeing initiatives. This will be reviewed during 18/19 to ensure that it is fit for purpose and truly gives staff a voice across the organisation.

We continue to be committed to our core workplace values: Empowerment, Commitment, Responsibility and Innovation which were developed by staff and managers and introduced in the previous year. Our values are embedded within the culture of review and appraisals and celebrated throughout the year including through our annual celebration event. These values will be reviewed and refreshed during the 18/19 year as part of our strategic planning.

All staff are making progress against an individual training and development plan. An e-learning platform supports the delivery of a wide range of mandatory and optional modules. We maintain excellent

levels of compliance for mandatory elements such as safeguarding, mental capacity act awareness and information governance as a result. Volunteers are also making good practice using this approach.

Good workplace wellbeing is an important feature in our language. Framed within a wellbeing policy, the organisation measures general wellbeing through staff surveys and seeks to improve this through the implementation of a wellbeing plan.

In line with requirements, we reported our gender pay gap as follows;

	<i>Mean</i>	<i>Median</i>
<i>Males</i>	£10.30	£8.18
<i>Females</i>	£9.11	£7.70
<i>Difference</i>	£1.19	£0.48
<i>Gender Pay Gap</i>	11.56%	5.87%

	Female	Male
Upper Quartile	84.13%	15.87%
Upper middle quartile	88.89%	11.11%
Lower middle quartile	93.65%	6.35%
Lower quartile	95.24%	4.76%

We are confident that we take appropriate steps to ensure that neither sex in our employment is salaried disproportionately when compared to the other and that we pay based on roles and to a specific and clear pay structure. Our gap is due to a smaller number of more senior male managers, and the large proportion of lower paid Home Helps (the majority of which are female), rather than our males being paid more than females. We will continue to monitor this.

Key Management & Personnel Remuneration Policy

Age UK Lancashire maintains a transparent system for remunerating all employees including Senior Management. All staff and managers including the Chief Executive are paid according to a clearly defined scale.

Movement up the scale is considered annually by the Board including consideration of affordability. In the event that movement up the scale is agreed it is applied to all staff and managers alike until they reach the top of their defined spine point. Other salary increases are considered by the Board based on cost of living increases based on affordability for the charity. In the case of a cost of living rise a single percentage is agreed and applied equitably to all staff and managers.

Internal Controls and Quality Standards

The Board of Trustees is responsible for the financial controls within the charity for safeguarding the physical and information assets. Financial procedures are developed, reviewed and revised in line with the ISO 9001:2015 quality management standards.

A CRM system and financial management system is maintained to capture and report on the performance of the charity and to ensure that the Board of Trustees receive accurate and timely management information.

Policies and procedures are reviewed and revised in line with the organisation's audit schedule. Key policies and procedures are

approved by the Board of Trustees with others approved by the Executive Management Team. All Managers are notified of any changes to Policies, Procedures or other documents held within the quality manual. Changes are cascaded to staff and volunteers and all staff have access to the on line manual.

Age UK Lancashire has retained and/or achieved the following quality standards in the year as follows:

ISO 9001	Quality Management System
OHSAS 18001	Occupational Health and Safety Management System (expired August 17)
IIP	Investors in People, Bronze
CQC	Care Quality Commission registration for Home Help and Foot Care (Good in every area)
IAQP	Information Advice Quality Programme (achieved December 17)
AQS	Advice Quality Standard (achieved December 17)

Risk Management and Business Continuity

Trustees regularly review risk and have recently increased the scrutiny of risk and adopted a more robust risk management policy and procedure. The new process involves all colleagues in risk identification and management and has an escalation process to ensure that risks are managed from the appropriate level.

These are challenging times for charities but with effective risk management we can pre-empt risk and take actions to prevent these and mitigate those which exist.

A business continuity plan complements the risk register to ensure that where natural and unavoidable disasters occur, the business is managed to avoid ongoing or unnecessary risk. This will be reviewed during 18/19.

Following a number of financially challenging years the charity is naturally conscious of its financial resilience and this remains an area of risk.

During the year Age UK Lancashire commissioned a review by the CASS business school, to assist us with our future planning. Following this report, an Interim Director was appointed in October 2017 to oversee a comprehensive review of our finances and operating model, as well as to oversee the implementation of required changes. As a result of this work, a number of changes have been made, the charity finances returned to surplus and will focus future years on robust financial management and increasing our levels of reserves to appropriate levels.

The requirements on charities to demonstrate robust, high quality governance have never been greater. The Board of Trustees is conscious of the risk presented around the increased level of legislation including those around fundraising and information governance.

Work started many months ago to prepare us for the new GDPR legislation has set us in good stead for adherence to the requirements. New policies have been developed, systems adopted and staff trained both face to face and via e-learning packages. We will continue to monitor this closely.

We have during the year taken the opportunity to renegotiate some leases and cease others in a drive to reduce our liabilities and costs. We moved our Head Office during July 17 and our lease requirements are something that we will keep under constant review during the coming years.

Supporters

Age UK Lancashire benefits from income generated through Age UK Lancashire Trading as well as through our retail shops around the county. Profits from these activities enable the charity to provide valuable services where funding cannot be secured. We are grateful for the support of the public in donating stock and to our volunteers, without whom we could not operate our shops.

We are also grateful to Age UK who have once again provided a range of grants to Age UK Lancashire to support us in our work. We are particularly appreciative of the significant support from Age UK in the appointment and support of the interim Director.

In addition, we are thankful for the opportunity to participate in a range of fundraising activities facilitated by Age UK which enables us to fundraise locally and attract income into our local charity.

We are thankful to the following organisations for their support be it financial or otherwise.



Brothers of Charity Services
working in partnership for positive lives in Lancashire

Statement as to Disclosure of Information to Auditors

So far as the Trustees are aware, there is no relevant information of which the charity'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 information and to establish that the charity's auditors are aware of that.

Reserves, Finance Review and Investments

The charity has reported overall net income of £4,778 for 2018 compared to net expenditure of £295,892 for 2017. This is a most promising result. Furthermore, we had exceptional costs of £211,205 in the year. Without these one-off costs, the charity would have reported a surplus of £215,983. The group reported a small overall loss of £4,318 but this is after adjusting for £9,096 re prior years.

The charity's subsidiary trading company contributed a surplus of £43,665 (after management recharges) during the year.

Age UK Lancashire retains a reserves policy which is monitored throughout the year and formally reviewed on an annual basis by the Board of Trustees. The reserves we hold mean we can protect ourselves in the event of a sudden or unexpected drop in income and ensure we can take advantage of opportunities to invest or expand, should they arise.

The reserves at 31 March 2018 amounted to £701,667. This amount includes £180,000 of endowment funds, £138,563 of restricted funds allocated for specific projects, leaving £282,381 of free reserves (which excludes fixed assets).

The Board of Trustees recognises that account must be taken of outstanding and potential liabilities and monies that have been designated, both for future projects and to continue specific projects should funding not be available.

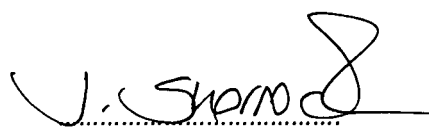
Age UK Lancashire is fortunate to be a Brand Partner of Age UK which means we will retain our information and advice activities for as long as we continue to operate. We are also fortunate enough to be able to attract independent income through our charity retail outlets.

Taking these aspects into account, plus the level of reserves required to cover current liabilities and obligations to employees, a minimum of 3 months operating costs (currently £976,000) has been agreed by trustees.

Our reserves are currently below our target and we aim to improve this position in the coming years and have a strategy in place to ensure that we achieve this.

We end the year on a positive financial note and look forward with confidence.

This report was approved by the Trustees on 12.12.18 and signed on their behalf by:



Julie Shorrocks (Treasurer) on behalf of the Board of Trustees

AGE UK LANCASHIRE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF AGE UK LANCASHIRE FOR THE YEAR ENDED 31 MARCH 2018

We have audited the financial statements of Age UK Lancashire "the charitable company" for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Cash Flow Statement and the related notes on pages 35 to 49. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2018 and of the group's and charities incoming resources and application of resources, including their income and expenditure, and of the group's cash flows 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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report to you 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 financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 financial statements are authorised for issue.

AGE UK LANCASHIRE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF AGE UK LANCASHIRE FOR THE YEAR ENDED 31 MARCH 2018

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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 matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit (which includes the directors report prepared for the purposes of company law);

- the information given in the Trustees' Report (which includes the directors report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has 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 charitable company 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 where 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.

Responsibilities of directors

As explained more fully in the Trustees' Responsibilities Statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AGE UK LANCASHIRE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF AGE UK LANCASHIRE FOR THE YEAR ENDED 31 MARCH 2018

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

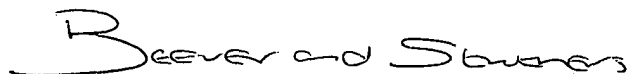
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at 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 with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 the charitable company's members as a body for our audit work, for this report, or for the opinions we have formed.



Suzanne Lomax BA FCA (Senior Statutory Auditor)

For and on behalf of Beever and Struthers

Chartered Accountants and Statutory Auditors

Central Buildings

Richmond Terrace

Blackburn

BB1 7AP

12 December 2018

AGE UK LANCASHIRE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	2018 Total	2017 Total
		£	£	£	£	£
INCOME FROM:						
<i>Donations & legacies</i>						
Donations		37,636	49,726	-	87,362	107,665
Legacies		20,385	75,000	-	95,385	54,684
Grants		6,750	26,093	-	32,843	-
<i>Other trading activities</i>						
Shop income		629,100	-	-	629,100	594,923
Turnover of trading subsidiary		312,262	-	-	312,262	369,601
Other income		47,671	-	-	47,671	53,991
<i>Charitable activities</i>						
Home Help		432,204	-	-	432,204	414,456
Provision of services		2,033,728	443,164	-	2,476,892	2,382,434
Local influence		22,250	34,361	-	56,611	34,809
Partnership work		-	-	-	-	-
Total income	2	3,541,986	628,344	-	4,170,330	4,012,563
EXPENDITURE ON:						
<i>Raising funds</i>						
Shop operating costs	3	654,999	-	-	654,999	472,533
Fundraising		37,948	4,021	-	41,969	13,863
Trading cost of subsidiary	5	268,597	-	-	268,597	344,464
<i>Charitable activities</i>						
Provision of services	4	2,472,622	643,199	2,000	3,117,821	3,367,235
Local influence		18,284	19,027	-	37,311	70,360
Partnership work		-	-	-	-	40,000
<i>Other expenditure</i>		53,951	-	-	53,951	-
Total expenditure		3,506,401	666,247	2,000	4,174,648	4,308,455
Net Income/(expenditure)	4, 7	35,585	(37,903)	(2,000)	(4,318)	(295,892)
Net income/(expenditure) pre exceptional items						
Exceptional items	4	(211,205)	-	-	(211,205)	56,511
Net Income/(expenditure) post exceptional items		35,585	(37,903)	(2,000)	(4,318)	(295,892)
Gross transfers between funds	18, 19	(14,387)	14,387	-	-	-
Net movement in funds		21,198	(23,516)	(2,000)	(4,318)	(295,892)
Reconciliation of funds						
Total funds brought forward	18, 19	361,906	162,079	182,000	705,985	1,001,877
Total funds carried forward	18, 19	383,104	138,563	180,000	701,667	705,985

All incoming resources and resources expended derive from continuing activities

The notes on pages 34 to 49 form part of these accounts

AGE UK LANCASHIRE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2018 Total £	2017 Total £
INCOME FROM:						
<i>Donations & legacies</i>						
Donations		37,636	49,726	-	87,362	107,665
Legacies		20,385	75,000	-	95,385	54,684
Grants		6,750	26,093	-	32,843	-
<i>Other trading activities</i>						
Shop Income		629,100	-	-	629,100	594,923
Other income		47,671	-	-	47,671	89,991
<i>Income from investments</i>						
Gift Aid receivable from subsidiaries	9	52,761	-	-	52,761	25,137
<i>Charitable activities</i>						
Home Help		432,204	-	-	432,204	414,456
Provision of services		2,033,728	443,164	-	2,476,892	2,382,434
Local influence		22,250	34,361	-	56,611	34,809
Partnership work		-	-	-	-	-
Total income	2	3,282,485	628,344	-	3,910,829	3,704,099
EXPENDITURE ON:						
<i>Raising funds</i>						
Shop operating costs	3	654,999	-	-	654,999	472,533
Fundraising		37,948	4,021	-	41,969	13,863
<i>Charitable activities</i>						
Provision of services	4	2,472,622	643,199	2,000	3,117,821	3,403,235
Local influence		18,284	19,027	-	37,311	70,360
Partnership work		-	-	-	-	40,000
<i>Other expenditure</i>						
	4	53,951	-	-	53,951	-
Total expenditure		3,237,804	666,247	2,000	3,906,051	3,999,991
Net income/(expenditure)	4, 7	44,681	(37,903)	(2,000)	4,778	(295,892)
Net income/(expenditure) pre exceptional items		255,886	(37,903)	(2,000)	215,983	(352,403)
Exceptional Items	4	(211,205)	-	-	(211,205)	56,511
Net income/(expenditure) post exceptional items		44,681	(37,903)	(2,000)	4,778	(295,892)
Gross transfers between funds	18, 19	(14,387)	14,387	-	-	-
Net movement in funds		30,294	(23,516)	(2,000)	4,778	(295,892)
Reconciliation of funds						
Total funds brought forward	18, 19	352,810	162,079	182,000	696,889	992,781
Total funds carried forward	18, 19	383,104	138,563	180,000	701,667	696,889

All incoming resources and resources expended derive from continuing activities

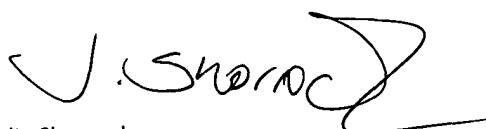
The notes on pages 34 to 49 form part of these accounts

AGE UK LANCASHIRE

BALANCE SHEETS AS AT 31 MARCH 2018

	Note	Group 2018	Group 2017	Charity 2018	Charity 2017
		£	£	£	£
Fixed Assets					
Tangible fixed assets	12	280,723	360,723	280,723	360,723
Investments	13	-	-	100	100
Investment in Joint venture	13	6	6	6	6
		<u>280,729</u>	<u>360,729</u>	<u>280,829</u>	<u>360,829</u>
Current Assets					
Stocks	14	78,939	72,520	78,939	72,520
Debtors	15	442,129	617,132	461,259	630,044
Cash at bank and in hand		224,647	49,449	198,676	19,358
		<u>745,715</u>	<u>739,101</u>	<u>738,874</u>	<u>721,922</u>
Creditors					
Amounts falling due within one year	16	(324,777)	(393,845)	(318,036)	(385,862)
Net Current Assets		<u>420,938</u>	<u>345,256</u>	<u>420,838</u>	<u>336,060</u>
Net Assets		<u>701,667</u>	<u>705,985</u>	<u>701,667</u>	<u>696,889</u>
Capital and Reserves					
Unrestricted funds					
- General funds	18	336,667	321,613	336,649	312,499
- Designated funds	18	46,437	40,293	46,455	40,311
		<u>383,104</u>	<u>361,906</u>	<u>383,104</u>	<u>352,810</u>
Restricted funds					
- Endowment fund	19	180,000	182,000	180,000	182,000
- Other Restricted funds	19	138,563	162,079	138,563	162,079
		<u>318,563</u>	<u>344,079</u>	<u>318,563</u>	<u>344,079</u>
		<u>701,667</u>	<u>705,985</u>	<u>701,667</u>	<u>696,889</u>

Approved by the Trustees and authorised for issue on 12 December 2018.


Julie Shorrock
Trustee

Company Number 07200267

The notes on pages 34 to 49 form part of these accounts

AGE UK LANCASHIRE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Note	Group 2018 £	Group 2017 £
Cash flows from operating activities:			
Net cash produced by/(used in) operating activities	24	200,476	(50,128)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(25,278)	(9,659)
Net cash used in investing activities		(25,278)	(9,659)
Change in cash and cash equivalents in the reporting period		175,198	(59,747)
Cash and cash equivalents at the beginning of the reporting period		49,449	109,196
Cash and cash equivalents at the end of the reporting period		224,647	49,449

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Principal accounting policies

a. Basis of accounting

These financial statements have been prepared in accordance with the 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 January 2015) - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

b. Going Concern Considerations

Following a previously challenging year, a rigorous review of the charities activities has been carried out, major changes have been introduced by the Charity in the year. Changes implemented in the year have resulted in the Charity generating a surplus (before exceptional costs) after several years of sustained losses. The Trustees are encouraged by on-going initiatives in place to address the challenges and feel that additional measures agreed, as a result of the business review, provide a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Basis of Consolidation

The Consolidated accounts of the Group include the financial statements of the Charity and its subsidiary undertaking for the year ended 31 March 2018.

d. Investments in Joint Ventures

Investments in joint ventures are accounted for under the equity method of accounting, with the Group's share of net income or net expenditure being recognised in the Statement of Financial Activities and the net carrying amount shown on the balance sheet.

e. Investments

Fixed asset investments are stated at cost less any provision for impairment.

f. Income

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

g. Gifts in kind and Intangible Income

Equipment and other items are included in the financial statements at estimated market value of the item donated at the time of receipt. Rent-free accommodation and Non-Domestic Rate Relief on properties used by Age UK Lancashire have been included in the financial statements at the estimated market value of the services donated. The value of services from volunteers has not been included in the financial statements.

h. Grants

Income from government and other grants, whether 'capital' grants or 'reserve' grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

i. Donations and legacies, and other forms of voluntary income

Donations and legacies and other forms of voluntary income are recognised in full in the Statements of Financial Activities when the receipt of income is considered probable and the amount receivable can be measured with sufficient reliability.

j. Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Principal accounting policies (continued)

j. Resources expended (continued)

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

Charitable expenditure comprises those costs incurred by the Charity 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 them.

All costs are allocated between the expenditure categories of the Statements of Financial Activities on a basis designed to reflect the use of the resource. Support costs are apportioned on an appropriate basis, pro-rated by direct costs. The approach has been revised in the year to more accurately reflect current operations.

Governance costs, included within support costs, include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and costs linked to the strategic management of the Charity.

Other expenditure represents those items not falling into any other heading.

Staff costs are allocated to activities on the basis of staff time spent on those activities.

k. Restricted Funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs.

l. Endowment Funds

Endowment funds are included within restricted funds and relate to permanent endowments. Expenditure is allocated to the fund when incurred in the administration or protection of the property of the endowment.

m. Unrestricted funds

Unrestricted funds are donations and other income received or generated for the objects of the Charity without further specified purpose and are available as general funds.

n. Designated funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

o. Depreciation

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. Depreciation of fixed assets is charged by annual instalments commencing with the year of acquisition at rates estimated to write off their cost less any residual value over the expected useful lives, which are as follows:

Freehold Land & Buildings	2% Straight-line method
Improvements to Buildings	25% Reducing balance method
Office & Computer Equipment	25% Reducing balance method
Fixtures & Fittings	25% Reducing balance method
Motor vehicles	25% Reducing balance method

Included within land and buildings is land totalling £100,000 which is not depreciated.

p. Stocks and work in progress

Purchased stock is valued at the lower of cost and net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items in an open market value.

q. Leases

Rentals paid under operating leases are charged to income as incurred.

r. Pensions

The Charity operates a defined contribution pension scheme and makes contributions under auto-enrolment requirements. Contributions payable for the year are charged in the Statements of Financial Activities.

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Principal accounting policies (continued)

s. Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

t. Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable activities.

u. Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determination of whether there are indicators of impairment of the company's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determination of whether leases entered into by the company as lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determination of the allocation of support costs and whether this is an accurate reflection of the costs incurred.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Donated items of stock are measured at fair value, using historical data to estimate the likely amount of income that will result from their subsequent sale.
- Determination of recoverability of trade debtors. A specific provision is made against certain debts where in the opinion of the trustees the debt is not fully recoverable.
- The requirement of a dilapidations provision within the financial statements. A note is included to highlight that a provision is not made however is considered.

v. Legal status of Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

w. Restatement of comparative - charity

The prior year financial statements of the trading company have been restated in accordance with the Triennial Review of FRS102 so that gift aid is reflected in the statement of financial activities when paid and not accrued.

2 Income

Donations totalled £87,362 (2017: £107,665) including restricted donations of £49,726 (2017: NIL). Of the restricted donations £4,021 related to the refurbishment of Walton Lane shower room, this refurbishment took place during the year; £47,705 related to donations in kind from Age UK National, this was in relation to the services of an interim turnaround director. This has been disclosed within exceptional items on the face of the statement of financial activity.

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

3 Expenditure on Raising Funds

	Shop Operating Costs	Fundraising	Costs of Trading Subsidiary	2018 Total
	£	£	£	£
Direct Costs				
Salaries, NI and pensions	343,139	36,819	215,871	595,829
Premises Costs	207,489	-	32,386	239,875
Other costs	18,857	-	-	18,857
Administration costs	16,417	1,003	8,919	26,339
	<u>585,902</u>	<u>37,822</u>	<u>257,176</u>	<u>880,900</u>
Support Costs allocated to Raising Funds				
Support Costs (see note 6)	69,097	4,147	11,423	84,667
Total Support Costs	<u>69,097</u>	<u>4,147</u>	<u>11,423</u>	<u>84,667</u>
Total Costs for Group in the year to 2018	<u>654,999</u>	<u>41,969</u>	<u>268,599</u>	<u>965,567</u>
Total Costs for Charity in the year to 2018	<u>654,999</u>	<u>41,969</u>	<u>-</u>	<u>696,968</u>

	Shop Operating Costs	Fundraising	Costs of Trading Subsidiary	2017 Total
	£	£	£	£
Direct Costs				
Salaries, NI and pensions	217,013	9,351	210,364	436,728
Premises Costs	129,951	-	93,003	222,954
Other costs	58,163	3,511	-	61,674
Administration costs	-	-	41,097	41,097
	<u>405,127</u>	<u>12,862</u>	<u>344,464</u>	<u>762,453</u>
Support Costs allocated to Raising Funds				
Support Costs (see note 6)	67,406	1,001	-	68,407
Total Support Costs	<u>67,406</u>	<u>1,001</u>	<u>-</u>	<u>68,407</u>
Total Costs for Group in the year to 2017	<u>472,533</u>	<u>13,863</u>	<u>344,464</u>	<u>830,860</u>
Total Costs for Charity in the year to 2017	<u>472,533</u>	<u>13,863</u>	<u>-</u>	<u>486,396</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

4 Expenditure on Charitable Activities

	Provision of Services	Local Influence	Partnership Work	2018 Total
	£	£	£	£
Direct Costs				
Salaries, NI and Pensions	2,082,715	28,474	-	2,111,189
Other employment costs	25,064	545	-	25,609
Premises costs	224,226	2,133	-	226,359
Minibus and travel	216,409	54	-	216,463
Communication	396	-	-	396
Legal and professional fees	14,659	33	-	14,692
Day care consumables	84,863	259	-	85,122
Repairs and renewals	17,966	-	-	17,966
Printing, postage and publicity	6,927	353	-	7,280
Maintenance contracts and subscriptions	2,377	-	-	2,377
Volunteer expenses	7,946	195	-	8,141
Leasing costs	526	-	-	526
Room Hire	21,868	74	-	21,942
Marketing costs	2,412	-	-	2,412
Activities	10,468	-	-	10,468
Sundries and cleaning	1,528	-	-	1,528
Consultancy fees	100,079	188	-	100,267
Other costs (including depreciation)	26,212	5,003	-	31,215
Disposal of Fixed Assets	53,951	-	-	53,951
	<u>2,900,592</u>	<u>37,311</u>	<u>-</u>	<u>2,937,903</u>
Support Costs allocated to Charitable Activities				
Support Costs (see note 6)	253,878	-	-	253,878
Governance costs	17,302	-	-	17,302
Total Support Costs	<u>271,180</u>	<u>-</u>	<u>-</u>	<u>271,180</u>
Total Costs for Charity & Group in the year to 2018	<u>3,171,772</u>	<u>37,311</u>	<u>-</u>	<u>3,209,083</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

4 Expenditure on Charitable Activities (Continued)

	Provision of Services	Local Influence	Partnership Work	2017 Total
	£	£	£	£
Direct Costs				
Salaries, NI and Pensions	2,261,124	67,664	40,000	2,368,788
Other employment costs	7,584	18	-	7,602
Premises costs	221,772	-	-	221,772
Minibus and travel	186,151	2,997	-	189,148
Communication	16,939	-	-	16,939
Legal and professional fees	8,791	103	-	8,894
Day care consumables	91,227	-	-	91,227
Repairs and renewals	39,299	239	-	39,538
Printing, postage and publicity	20,902	1	-	20,903
Maintenance contracts and subscriptions	4,786	-	-	4,786
Volunteer expenses	17,492	234	-	17,726
Leasing costs	2,180	-	-	2,180
Room Hire	30,690	242	-	30,932
Marketing costs	1,919	-	-	1,919
Lunch club refreshments	-	-	-	-
Activities	8,190	-	-	8,190
Sundries and cleaning	29,225	-	-	29,225
Consultancy fees	-	-	-	-
Set up costs	-	-	-	-
Other costs (Including depreciation)	35,423	-	-	35,423
	<u>2,983,694</u>	<u>71,498</u>	<u>40,000</u>	<u>3,095,192</u>
Support Costs allocated to Charitable Activities				
Support Costs (see note 6)	352,057	(1,694)	-	350,363
Governance costs	31,484	556	-	32,040
Total Support Costs	<u>383,541</u>	<u>(1,138)</u>	<u>-</u>	<u>382,403</u>
Total Costs for Group in the year to 2017	<u>3,367,235</u>	<u>70,360</u>	<u>40,000</u>	<u>3,477,595</u>
Total Costs for Charity in the year to 2017	<u>3,403,235</u>	<u>70,360</u>	<u>40,000</u>	<u>3,513,595</u>

Within the costs for the financial year, there are a number of exceptional costs, as detailed below:

The key costs incurred are as follows:-

	2018	2017
	£	£
Search and selection of new CEO	16,000	-
Dilapidation restoration	21,800	-
Interim CEO	113,464	-
Fixed asset write down	71,934	-
VAT on management charges	33,712	-
Interim CEO contribution from Age UK National	(45,705)	-
Exceptional income	-	(56,511)
	<u>211,205</u>	<u>(56,511)</u>

£45,705 of the Turnaround Director Fees were Incurred by Age UK National and have been reflected as a donation in kind in the financial statements. The remainder was paid by Age UK Lancashire unfunded.

There were no exceptional costs in the prior year. Exception Income recognised is in relation to prior periods and was therefore separately identified.

Exceptional Income in the prior year was in relation to grant income received in 2016/17 however relating to previous periods, due to a delays in processing.

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

5 Trading cost of subsidiary

In the year to 31 March 2018 the operating costs of the trading subsidiary amounting to £268,597 (2017: £344,464) comprised wholly of unrestricted expenditure.

6 Analysis of Support Costs

	Basis of apportionment	2018 Total £	2017 Total £
Other employment costs	Pro-rata to direct costs	3,046	45,605
Minibus and travel	Pro-rata to direct costs	8,152	48,993
Communication	Pro-rata to direct costs	96,268	83,203
Legal and professional fees	Pro-rata to direct costs	37,161	50,322
Repairs and renewals	Pro-rata to direct costs	24,014	5,273
Printing, postage and publicity	Pro-rata to direct costs	14,652	25,568
Maintenance Contracts and Subscriptions	Pro-rata to direct costs	24,055	21,341
Volunteer expenses	Pro-rata to direct costs	16	172
Leasing costs	Pro-rata to direct costs	18,230	12,005
Room Hire	Pro-rata to direct costs	1,524	4,873
Marketing costs	Pro-rata to direct costs	1,074	4,804
Sundries and cleaning	Pro-rata to direct costs	1,746	2,703
Depreciation	Pro-rata to direct costs	39,376	44,980
Bank charges	Pro-rata to direct costs	7,953	9,629
Bad debts	Pro-rata to direct costs	-	59,299
Shared premises	Pro-rata to direct costs	27,565	-
Other costs	Pro-rata to direct costs	33,713	-
		<u>338,545</u>	<u>418,770</u>

7 Net movement In funds

	2018 £	2017 £
The net movement in funds is stated after charging/(crediting):		
Operating leases	311,902	335,188
Depreciation	33,344	63,257
Exceptional income (Note 4)	(45,705)	(56,511)
Exceptional costs (Note 4)	256,910	-

8 Auditors' remuneration

Total resources expended includes Auditors' remuneration for audit services and other services. The amounts shown include non-recoverable VAT.

	2018 £	2017 £
Audit services		
Charity	11,000	11,000
	<u>11,000</u>	<u>11,000</u>
Other services		
Accountancy services	4,444	6,900
Subsidiary accountancy	1,100	1,100
Consolidated	<u>5,544</u>	<u>8,000</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

9 Gift Aid payment by trading subsidiary

Age UK Lancashire Trading Ltd is wholly owned by the Charity. The Company has agreed to pay over to the Charity its taxable profits for the year. A summary of the company's result for the year ended 31 March 2018 is:

	2018 £	2017 £
		<i>Restated</i>
Turnover	312,262	369,601
Operating costs	(268,597)	(344,464)
Trading profit	<u>43,665</u>	<u>25,137</u>
Gift Aid payment to charity	<u>77,898</u>	<u>-</u>

Gift aid paid in Age UK Lancashire Trading Limited differs from the amount recognised in the SOFA of the charity due to the fact that the charity has recognised the gift aid income when receipt is probable and not when paid. Therefore there is a timing difference in the amount paid by the trading company and the amount disclosed as receivable in the charity SOFA.

10 Information regarding employees and trustees

	2018	2017
Average number of employees in the period		
- Full time employees	34	37
- Part time employees	162	161
Average number of employees	<u>196</u>	<u>198</u>
Full time equivalent number of employees	<u>117</u>	<u>118</u>
Staff costs comprise:	£	£
- Wages and salaries	2,538,509	2,634,984
- Redundancy costs	15,498	8,140
- Social security costs	133,538	140,632
- Pension contributions	29,011	34,607
	<u>2,716,556</u>	<u>2,818,363</u>

No employees had emoluments (excluding employer pension contributions) in excess of £60,000 (2017: £Nil).

There was no remuneration paid to Trustees, who are all volunteers. Trustees' expenses reimbursed amounted to £567 (2017: £Nil).

The Charity purchased insurance costing £280 to protect the Charity from loss arising from neglect or default of its Trustees and to indemnify the Trustees against the consequence of neglect or default on their part.

Key management personnel of the Charity comprised the Trustees, the Chief Executive Officer, the Finance Manager, the Business Development Manager, the Operations Manager and the Engagement Manager. The total employee benefits of the key management personnel of the Charity were £355,467 (2017: £244,949), in addition employer pension contribution of £7,213 (2017: £6,994) were paid in respect of their services. Included within the total employee benefits are the Interim CEO fees incurred.

11 Pension costs

The group operates a defined contribution pension scheme and makes contributions under auto-enrolment requirements. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents the contributions payable by the group to the fund. The charge for the year is £29,011 (2017: £34,607).

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

12 Tangible fixed assets - Group and company

	Land & Buildings £	Improvements to Buildings £	Office Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost						
Balance at 1 April 2017	200,000	256,242	107,357	40,035	3,000	606,634
Additions	-	-	25,278	-	-	25,278
Disposals		(121,910)				(121,910)
Balance at 31 March 2018	<u>200,000</u>	<u>134,332</u>	<u>132,635</u>	<u>40,035</u>	<u>3,000</u>	<u>510,002</u>
Depreciation						
Balance at 1 April 2017	18,000	133,338	62,897	28,957	2,719	245,911
Charge for the period	2,000	12,743	15,759	2,772	70	33,344
Disposals		(49,976)				(49,976)
Balance at 31 March 2018	<u>20,000</u>	<u>96,105</u>	<u>78,656</u>	<u>31,729</u>	<u>2,789</u>	<u>229,279</u>
Net book value						
31 March 2018	<u>180,000</u>	<u>38,227</u>	<u>53,979</u>	<u>8,306</u>	<u>211</u>	<u>280,723</u>
31 March 2017	<u>182,000</u>	<u>122,904</u>	<u>44,460</u>	<u>11,078</u>	<u>281</u>	<u>360,723</u>

Included within land and buildings of both the group and the charity is land totalling £100,000 which is not depreciated. The depreciation on land and buildings of £2,000 is posted to the Endowment reserve.

13 Fixed asset Investment - Charity

	2018 £	2017 £
Shares in Age UK Lancashire Trading Ltd - at cost	100	100
Investment in Joint Venture - CIC at cost	6	6
Cost and Net Book Value at 31 March 2018 and 2017	<u>106</u>	<u>106</u>

The Charity holds the whole of the Issued share capital of Age UK Lancashire Trading Ltd (company number: 06430170), a company registered in England and Wales. Its principal activity is arranging Insurance.

A summary of the trading results of Age UK Lancashire Trading Limited is shown in note 9. The aggregate of assets, liabilities and reserves is:

	2018 £	2017 £
Assets	56,451	62,857
Liabilities	(56,351)	(28,524)
Total reserves (including £100 share capital)	<u>100</u>	<u>34,333</u>

The Charity holds 50% of the Issued share capital of Age UK Greater Lancashire CIC, a company registered in England and Wales. Its principal activity is the delivery of contracts and services across the whole of the county of Lancashire.

Fixed asset investment - Group

	2018 £	2017 £
Investment in Joint Venture - CIC at cost	6	6
Cost and Net Book Value at 31 March 2018 and 2017	<u>6</u>	<u>6</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

14 Stocks - Group and Charity			2018	2017
			£	£
Goods for resale			<u>78,939</u>	<u>72,520</u>
15 Debtors	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	117,402	168,735	117,402	168,735
Prepayments and accrued income	317,726	395,567	287,246	395,567
Amount due from subsidiary undertakings	-	-	49,610	45,678
Other debtors	7,001	52,830	7,001	20,064
	<u>442,129</u>	<u>617,132</u>	<u>461,259</u>	<u>630,044</u>
16 Creditors: Amounts falling due within one year	Group	Group	Charity	Charity
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	120,698	103,953	120,060	103,953
Accruals and deferred income	106,323	127,946	102,246	127,946
Payments received on account for contracts or performance related grants	27,107	112,228	27,107	112,228
Taxation and social security	67,383	40,007	65,357	37,077
Other creditors	3,266	9,711	3,266	4,658
	<u>324,777</u>	<u>393,845</u>	<u>318,036</u>	<u>385,862</u>
17 Payments received on account for contracts or performance related grants				
<i>Payments received on account for contracts or performance related grants comprises of funds received in advance for expenditure to take place in the following accounting period.</i>				
			Group & Charity	
			£	
Balance at 1 April 2017				112,228
Amount released to incoming resources				(112,228)
Amount deferred in period				27,107
Balance at 31 March 2018				<u>27,107</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

18 Unrestricted funds - CHARITY	1 April 2017	Incoming	Outgoing	Transfers	31 March 2018
	£	£	£	£	£
Designated funds	40,311	37,636	(31,492)	-	46,455
Undesignated funds	312,499	3,244,849	(3,206,312)	(14,387)	336,649
Charity	<u>352,810</u>	<u>3,282,485</u>	<u>(3,237,804)</u>	<u>(14,387)</u>	<u>383,104</u>
	1 April 2016	Incoming	Outgoing	Transfers	31 March 2017
	£	£	£	£	£
Designated funds	21,089	33,067	(13,845)	-	40,311
Undesignated funds	265,930	3,350,705	(3,364,674)	60,538	312,499
Charity	<u>287,019</u>	<u>3,383,772</u>	<u>(3,378,519)</u>	<u>60,538</u>	<u>352,810</u>
Unrestricted funds - GROUP	1 April 2017	Incoming	Outgoing	Transfers	31 March 2018
	£	£	£	£	£
Designated funds					
Fundraising reserve	40,293	37,636	(31,492)	-	46,437
Undesignated funds	321,613	3,504,350	(3,474,909)	(14,387)	336,667
Group	<u>361,906</u>	<u>3,541,986</u>	<u>(3,506,401)</u>	<u>(14,387)</u>	<u>383,104</u>
	1 April 2016	Incoming	Outgoing	Transfers	31 March 2017
	£	£	£	£	£
Designated funds					
Fundraising reserve	21,089	33,067	(13,863)	-	40,293
Undesignated funds	274,986	3,659,169	(3,673,080)	60,538	321,613
Group	<u>296,075</u>	<u>3,692,236</u>	<u>(3,686,943)</u>	<u>60,538</u>	<u>361,906</u>
Funds are designated for the following purposes				31 March 2018	31 March 2017
Name	Purpose			£	£
Fundraising reserve	The fund has been designated in relation to fundraising activities for specific future events.			<u>46,437</u>	<u>40,293</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

19 Restricted funds and endowments - Group and Charity

Description of Fund	1 April 2017 £	Incoming £	Outgoing £	Transfers £	31 March 2018 £
Legacy - North	121,864	-	(121,864)	-	-
Legacy - Preston	51,063	-	-	-	51,063
Later Life Links Programme	(277)	34,361	(34,361)	277	-
E.ON Benefits Take-Up	-	19,840	(19,840)	-	-
Central gateway grant	(4,530)	27,500	(30,193)	7,223	-
Building better opportunities	(6,041)	166,479	(166,478)	6,040	-
My Life My Decision	-	-	(30)	30	-
Blackpool I&A	-	25,013	(25,013)	-	-
Blackpool Community Engagement	-	42,000	(42,000)	-	-
Capital grant - ipads	-	843	(843)	-	-
Walton Lane shower room	-	4,021	(4,021)	-	-
Legacy - Kathleen Morris	-	75,000	-	-	75,000
End of life	-	60,773	(61,221)	448	-
Veterans	-	79,059	(79,428)	369	-
Befriending	-	22,500	(22,500)	-	-
Eric Wright grant	-	25,000	(12,500)	-	12,500
LC Hennessey - Deferred Inc.	-	250	(250)	-	-
Age UK London	-	45,705	(45,705)	-	-
	<u>162,079</u>	<u>628,344</u>	<u>(666,247)</u>	<u>14,387</u>	<u>138,563</u>
Endowment Fund	182,000	-	(2,000)	-	180,000
Restricted funds - Charlty and Group	<u>344,079</u>	<u>628,344</u>	<u>(668,247)</u>	<u>14,387</u>	<u>318,563</u>
Investment in Joint Venture	-	-	-	-	-
Restricted funds - Group	<u>344,079</u>	<u>628,344</u>	<u>(668,247)</u>	<u>14,387</u>	<u>318,563</u>

Purpose of Legacy Preston to deliver high quality care in the Preston area.

The Legacy of Kathleen Morris is to be applied for the benefit of Lytham St. Annes Branch of the Charity.

The Eric Wright grant is a project to deliver high quality information and advice to local older people that is free of charge, confidential, independent and impartial in the East Lancashire.

The endowment fund relates to a property taken over by the Charity upon merging with another during 2008/2009. The property is to be retained indefinitely and used for the benefit of residents of the surrounding area, at the request of the former Charity's trustees. The fund balance is reduced annually by the amount of depreciation charged to the Endowment assets (land and buildings).

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

19 Restricted funds and endowments - Group and Charity

Description of Fund	1 April 2016 £	Incoming £	Outgoing £	Transfers £	31 March 2017 £
Well being centres and lunch clubs	6,120	-	-	(6,120)	-
WL Council for Volunteers	958	-	-	(958)	-
Groundwork - Community Garden	1,939	-	-	(1,939)	-
Legacy - North	394,420	-	(272,556)	-	121,864
Legacy - Preston	51,063	-	-	-	51,063
Later Life Links	-	5,556	(5,833)	-	(277)
EON Benefits	-	13,950	(13,950)	-	-
Central Gateway	-	21,250	(14,530)	(11,250)	(4,530)
Building Better Opportunities	-	96,699	(102,740)	-	(6,041)
Integrated Care Pilot	67,262	146,900	(173,770)	(40,392)	-
My Life My Decision	-	32,972	(33,093)	121	-
Legacy - Watson	-	3,000	(3,000)	-	-
	<u>521,762</u>	<u>320,327</u>	<u>(619,472)</u>	<u>(60,538)</u>	<u>162,079</u>
Endowment Fund	184,000	-	(2,000)	-	182,000
Restricted funds - Charity	<u>705,762</u>	<u>320,327</u>	<u>(621,472)</u>	<u>(60,538)</u>	<u>344,079</u>
Investment in Joint Venture	-	-	-	-	-
Restricted funds - Group	<u>705,762</u>	<u>320,327</u>	<u>(621,472)</u>	<u>(60,538)</u>	<u>344,079</u>

20 Analysis of Group net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £
2018:				
Tangible fixed assets	100,723	-	180,000	280,723
Investment in Joint venture	-	6	-	6
Current Assets	605,023	140,692	-	745,715
Current Liabilities	(322,642)	(2,135)	-	(324,777)
2018 Total	<u>383,104</u>	<u>138,563</u>	<u>180,000</u>	<u>701,667</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2017 £
2017:				
Tangible fixed assets	178,723	-	182,000	360,723
Investment in Joint venture	-	6	-	6
Current Assets	513,162	225,939	-	739,101
Current Liabilities	(329,979)	(63,866)	-	(393,845)
2017 Total	<u>361,906</u>	<u>162,079</u>	<u>182,000</u>	<u>705,985</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

21 Changes in resources available for charity use- Group

2018:

	Unrestricted Funds		Restricted Funds		Total 2018 £
	Designated Funds £	Undesignated Funds £	Restricted Funds £	Endowment Funds £	
Net movement in funds for the period	6,144	15,054	(23,518)	(2,000)	(4,320)
Net decrease in tangible assets	-	78,000	-	2,000	80,000
Net movement in funds available for future activities	<u>6,144</u>	<u>93,054</u>	<u>(23,518)</u>	<u>-</u>	<u>75,680</u>

2017:

	Unrestricted Funds		Restricted Funds		Total 2017 £
	Designated Funds £	Undesignated Funds £	Restricted Funds £	Endowment Funds £	
Net movement in funds for the period	19,204	46,587	(359,683)	(2,000)	(295,892)
Net decrease in tangible assets	-	51,598	-	2,000	53,598
Net movement in funds available for future	<u>19,204</u>	<u>98,185</u>	<u>(359,683)</u>	<u>-</u>	<u>(242,294)</u>

22 Financial commitments and operating leases - Group and Charity

At 31 March 2018 the Charity had total future commitments under non-cancellable operating leases as set out below:

	Land & Buildings		Other Assets	
	2018	2017	2018	2017
	£	£	£	£
Operating leases which expire:				
Within one year	162,453	215,742	15,580	15,580
Within two to five years	163,700	124,489	2,710	18,290
	<u>326,153</u>	<u>340,231</u>	<u>18,290</u>	<u>33,870</u>

23 Guarantees

Each current member and any member who has resigned within the last twelve months agrees, in the event of the company being wound up, to contribute to any deficiency in assets a sum not exceeding £1.

24 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group 2018 £	Group 2017 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(4,318)	(295,892)
Adjustments for:		
Depreciation charges	33,344	63,257
Fixed asset write down	71,934	-
Purchase of shares in joint venture	-	(6)
(Increase) / Decrease in stocks	(6,419)	2,825
Decrease in debtors	175,003	83,421
Increase/(decrease) in creditors	(69,068)	96,267
Net cash provided by/(used in) operating activities	<u>200,476</u>	<u>(50,128)</u>

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

25 Post Balance Sheet Events and Contingent Liabilities

The Trustees and Executive have continued to review property lease liabilities throughout the year, withdrawing from sites which are no longer cost efficient for the Charity. This work continues post year end which has resulted in further decisions to withdraw from sites as leases come to an end and move to new sites where opportunities arise. However, the Trustees have been unable to set a provision for dilapidations that may arise as a result of these decisions at this stage and therefore a provision has not been made. The Trustees believe that the savings made as a result of these decisions will be far more beneficial for the Charity and will outweigh potential dilapidation costs in the medium to long term.

26 Comparative Consolidated Statement of Financing Activities

	Unrestricted Funds	Restricted Funds	Endowment Funds	2017 Total
	£	£	£	£
INCOME FROM:				
<i>Donations & legacies</i>				
Donations	107,665	-	-	107,665
Legacies	51,684	3,000	-	54,684
<i>Other trading activities</i>				
Shop Income	594,923	-	-	594,923
Turnover of trading subsidiary	369,601	-	-	369,601
Other income	53,284	707	-	53,991
<i>Charitable activities</i>				
Home Help	414,456	-	-	414,456
Provision of services	2,085,320	297,114	-	2,382,434
Local influence	15,303	19,506	-	34,809
Partnership work	-	-	-	-
Total income	3,692,236	320,327	-	4,012,563
EXPENDITURE ON:				
<i>Raising funds</i>				
Shop operating costs	472,533	-	-	472,533
Fundraising	13,863	-	-	13,863
Trading cost of subsidiary	344,464	-	-	344,464
<i>Charitable activities</i>				
Provision of services	2,745,763	619,472	2,000	3,367,235
Local influence	70,360	-	-	70,360
Partnership work	40,000	-	-	40,000
Total expenditure	3,686,983	619,472	2,000	4,308,455
Net (expenditure)/income	5,253	(299,145)	(2,000)	(295,892)
Net income/(expenditure) pre exceptional items	(51,258)	(299,145)	(2,000)	(352,403)
Exceptional items	56,511	-	-	56,511
Net income/(expenditure) post exceptional items	5,253	(299,145)	(2,000)	(295,892)
Gross transfers between funds	60,538	(60,538)	-	-
Net movement in funds	65,791	(359,683)	(2,000)	(295,892)
Reconciliation of funds				
Total funds brought forward	363,377	454,500	184,000	1,001,877
Restatement of brought forward reserves	(67,262)	67,262	-	-
Total restated funds brought forward	296,115	521,762	184,000	1,001,877
Total funds carried forward	361,906	162,079	182,000	705,985

AGE UK LANCASHIRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

27 Comparative Charity Statement of Financing Activities

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2017 Total £
INCOME FROM:				
<i>Donations & legacies</i>				
Donations	107,665	-	-	107,665
Legacies	51,684	3,000	-	54,684
<i>Other trading activities</i>				
Shop income	594,923	-	-	594,923
Other income	89,284	707	-	89,991
<i>Income from Investment</i>				
Gift aid payment from subsidiaries	25,137	-	-	25,137
<i>Charitable activities</i>				
Home Help	414,456	-	-	414,456
Provision of services	2,085,320	297,114	-	2,382,434
Local influence	15,303	19,506	-	34,809
Total income	3,383,772	320,327	-	3,704,099
EXPENDITURE ON:				
<i>Raising funds</i>				
Shop operating costs	472,533	-	-	472,533
Fundraising	13,863	-	-	13,863
<i>Charitable activities</i>				
Provision of services	2,781,763	619,472	2,000	3,403,235
Local influence	70,360	-	-	70,360
Partnership work	40,000	-	-	40,000
Total expenditure	3,378,519	619,472	2,000	3,999,991
Net (expenditure)/income	5,253	(299,145)	(2,000)	(295,892)
Net income/(expenditure) pre exceptional items	(51,258)	(299,145)	(2,000)	(352,403)
Exceptional items	56,511	-	-	56,511
Net income/(expenditure) post exceptional items	5,253	(299,145)	(2,000)	(295,892)
Gross transfers between funds	60,538	(60,538)	-	-
Net movement in funds	65,791	(359,683)	(2,000)	(295,892)
Reconciliation of funds				
Total funds brought forward	354,281	454,500	184,000	992,781
Restatement of brought forward reserves	(67,262)	67,262	-	-
Total restated funds brought forward	287,019	521,762	184,000	992,781
Total funds carried forward	352,810	162,079	182,000	696,889