

# Helping more of the older people who need us the most

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Report of Trustees and Annual Accounts 2018/19



## **We are Age UK.**

We exist to help the older people who need us.  
Over the next three years we'll focus on helping  
the older people who need us the most.

We can't do it without your help.

It's that simple.

No help. No care. No money.

No one to turn to.

A life led by too many older people.

Help Age UK help them.

A friend. A champion. A voice.

In person, in communities.

On the phone.

Online.

## **We are Age UK.**

Thank you.

This report describes the activities of Age UK, our subsidiary charities and trading companies. We also refer to the activities of our local and national charity partners where we fully or partly fund those activities. As independent charities, members of the Age UK network publish their own Annual Reports and Accounts.

# Thank you

At Age UK we're only able to make later life better for older people because we act together with others.

We rely on hundreds of thousands of individuals. Those who choose to donate to us, fundraise for us, or remember us in their wills. Those who stand with older people as campaigners, volunteers, employees or decision-makers. And those who look out for or care for the older people in their lives. Thank you for your generosity, your determination, and your compassion.

We rely on donations from our corporate partners, trusts, foundations and public sector bodies, and the staff who work for them, as well as the skills and expertise they provide in kind. Thank you for your trust, your enthusiasm and your support. Our funders are listed on pages 139 and 140.

We rely on the Age UK network of local and national partners in the UK and, through Age International, a global network, as well as like-minded organisations up and down the country. Much of what we achieve depends on these partnerships. We are deeply grateful to our partners and their collective impact on millions of older people's lives. Thank you for your friendship, your collaboration and your commitment to our shared purpose.

Finally, thank you to older people, for your contribution to our society, past, present and future. A contribution that Age UK and our donors will continue to celebrate, and be grateful for.

Thank you from all of us at Age UK.

**'I'm proud to support Age UK – I was sad to read of the number of elderly people in the UK that can go week to week without seeing anyone. Age UK are actively finding ways to make our older friends and family in the community feel included and important in their later years and it's just fantastic.'**

Clare, Age UK supporter



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# Introduction from the Chair and CEO

## **The 2019 General Election**

At the time of writing the political flux continues, with the general election campaigns of the main parties all seeking to resolve, in one way or another, the Brexit question. While it is undeniable that there are implications for older people in respect of Brexit (and on which we have asked ten questions of Government), there is a lot more at stake for older people and about which those vying for success at the ballot box remain unclear. In Age UK's General Election manifesto, we have called on the next Government to invest in older people and the public services on which they rely. We want to see every political party bring forward policies to help our older population, those most in need above all, to enable more people to have the dignified, secure and fulfilling later life we want for ourselves and for those we love.

Age UK's fundamental purpose is to promote the wellbeing of older people. During another year in which the attention of the public, politicians, and decision makers has often been diverted, we have remained true to that purpose and continued to achieve much for older people thanks to the vital contribution of our partners, funders, volunteers, staff and, of course, older people themselves.

## **Our achievements this year**

This year, in partnership with the Age UK network of local and national partners, we have again given practical support to over 7 million people, through information and advice, services and wellbeing programmes. We have had unprecedented success in giving publicity to the issues affecting older people through our No one should have no one to turn to and TV licence campaigns, and shaped the future provision of health care for older people by influencing the NHS long-term plan. And we have worked internationally to respond to emergencies in Indonesia, Bangladesh and Malawi, improved diabetes care in Kyrgyzstan, and continued to call for a UN Convention on the rights of older people. You can read about our many achievements on pages 24 to 57.



## The situation facing older people

However, the reality is that while Age UK has had a good year in terms of our achievements, the same cannot be said for millions of older people, some of whom are the most disadvantaged in our society. In last year's report we began by expressing deep concern about the situation faced by the 1.5 million older people in England who face a daily struggle in meeting their most basic daily living needs, like getting out of bed, washing and dressing. The things that most of us take for granted, that we might not even recognise as 'needs' at all.

A year on, we are concerned, though not surprised, that the situation has not improved for these older people, and that in some respects it is worse than we'd thought. The shortfall in funding of the current care system continues, despite welcome cash injections from the Government (both underway and promised) social care spending per head of the adult population had fallen by 17.5 per cent in real terms between 2010/11 and 2017/18, and our research this

year has exposed the existence of care deserts, where for some people accessing appropriate care is virtually impossible. So, many of the older people suffering today are still not getting the help they need, when they need it and have little hope of doing so.

The older people of tomorrow are at risk of being served little better or worse. We are pleased that the NHS has published its long-term plan, and that a commitment has been made to provide the billions of pounds in funding required to match its welcome aspirations. It should mean that older people, and their families, receive the health and care support they need more quickly and in a more person-centred and joined up way, which is vitally important. But, it remains hard to see how some of these improvements are possible without an equivalent long-term plan for social care, a 'national care service'. The six times promised and six times delayed Green Paper has yet again failed to materialise, and may never do so given the ongoing political tumult.



The delay has profound consequences: our research suggests that a total of 81 older people die every day waiting for care. This must not continue. We at Age UK, acting together with older people and sector partners, will continue to campaign hard to encourage MPs to stop sitting on their hands (see page 27).

Health and social care are not the only areas of considerable concern to us and the older people we serve. At a time when poverty among over 65s is rising, after a long period of decline, the consequences of two ill-considered government decisions risk feeding this rise and the cascade of other issues of which poverty is a contributing factor.

The effective abolition of the TV licence for over 75s (see page 27), a decision taken by the BBC but made unavoidable by the Government, and the 'Age gap tax' on people on low incomes (see page 28), could have a deep and lasting impact on those who are already living in poverty. The unfairness of the TV licence decision has seen unprecedented disquiet from the public for an 'older people's issue' and we hope that the voices of the 630,000 signatories of our petition have been truly heard. We won't let these issues drop.

## Our new strategy

It is within this context that Age UK's Trustees and Executive have developed Age UK's strategy for the next three years. We have, as you would expect, paid considerable attention to the challenges faced by the millions of older people who are our possible beneficiaries, those in charitable need. We have reflected too on the ever-changing environment in which we operate and how it affects our work, the turbulent politics and societal polarisation, cuts to public services, and a reduction in our own income.

Our conclusion, given the desperate situation for many older people today and the need for us to focus our finite resources, is that for the next three years we should prioritise the older people who need us the most. This is an evolutionary shift, given that our work has always placed the older people experiencing deep disadvantage as a high priority, but it will see a renewed focus on highlighting and responding to their plight, while continuing to celebrate the significant contribution made by them and older people up and down the country, past, present and future. You can read more about our strategy on pages 20 to 22.

Of course, a strategy is nothing without appropriate action behind it. This year, we have continued some changes already in progress, a prime example being the mainstreaming of what we learned from our ground-breaking Person-Centred Integrated Care programme as we celebrate its successes in its final year. In other areas, we have begun a shift towards ensuring that our work puts first those older people who are experiencing or facing deep disadvantage. Our influencing work, which is necessarily agile, is already changing with our public campaigns focusing more strongly on those who need us the most, while other areas have plans in place for 2019/20 as you can read later (see pages 29, 35, 41, 47, 51 and 57).

Developing strategy is not a one-off exercise, especially so in these turbulent times, and we are already looking further into the future. Age UK is but part of an incredible network of national and local Age UKs that work in partnership with a common purpose. This year the Age UK network began a collective 'Big Conversation' to agree a strategy for the next decade that we will all share.

### Growing our future income

In last year's report we said our income would reduce, but there is no doubt that our charitable expenditure at £57.4 million (2018: £69.2 million) remains very large. With our new strategy in place, with its clear priorities, we are ensuring that the money we raise continues to work the hardest where it is most needed. You can read more about our finances on pages 68 to 73.

But at a time when poverty is again rising, when so many older people struggle each day to perform the most basic of life's tasks unaided, and the loneliness epidemic ruins lives, we must aim to grow our income so we can respond. Donations are our lifeblood and it is only thanks to people's generosity that we can do our life-changing work. Our new fundraising focus, enabled by investment, will help us achieve the incremental and sustainable income growth we need. You can read more about our future fundraising on page 63.

We were delighted that on 1 October 2019 The Silver Line joined the Age UK family as a subsidiary. The Silver Line is a charity best known for its 24/7 help line which provides emotional support for lonely and isolated older people and was founded in 2012 by Dame Esther Rantzen DBE. The Silver Line Helpline's focus on emotional support complements the practical information and advice provided by the Age UK Advice Line, and will enable us together to help more of the older people who need us.

### Thank you

Whether you support us financially, join our campaigns, volunteer with us or work alongside us, your continued support and dedication is not only appreciated and valued, but absolutely vital. Now, more than ever. Thank you.

With best wishes,



Sir Brian Pomeroy, Chair



Steph Harland, Chief Executive

# Strategic report





# How we work

## We are Age UK

Age UK's vision is a world where everyone can love later life. We know it won't be easy getting there, but we believe it's how things should be for people in later life and, with your help, we work every day to make it happen.



### We are national

In the UK we help millions of people every year, providing support, companionship and advice to the older people who need our help the most. We are a strong voice, campaigning with and for older people to champion their rights, needs and wishes.



### We are local

We work as part of the Age UK network – a partnership of independent charities which includes Age UK; our national partners Age NI, Age Scotland and Age Cymru and six local Age Cymrus; over 130 local Age UKs in England and hundreds of smaller organisations called Age UK Friends and Forums.



### We are international

We work with our international subsidiary charity, Age International, to fund programmes in over 30 developing countries. Age International is a member of the HelpAge global network and the Disasters Emergency Committee (DEC).



**Acting together with like-minded charities and other organisations enables us to achieve far more for older people.** In the UK we do so largely through the Age UK network, and internationally through Age International's membership of the HelpAge global network. We work together with our partners in a range of ways, with grant funding an important part of this. For example, we co-design and deliver charitable programmes (see pages 33, 40 and 45), which Age UK receives funding for and makes grants available for suitable partners to deliver. In 2018/19 we distributed £21.2 million in grants (see page 50).

## We are focused on six areas of charitable activity



**We campaign and research**



**We provide information and advice**



**We transform health and care services**



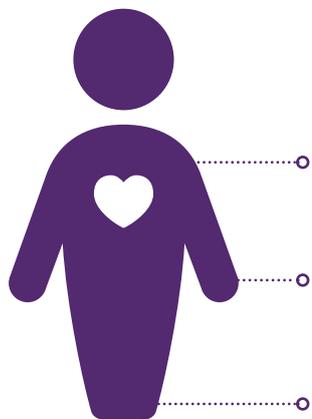
**We deliver wellbeing programmes**



**We support the Age UK network**



**We work internationally**



## We are driven by our values

When we work with older people, each other and our stakeholders, our ambition is that:

- **We are focused** on what has the most impact on older people.
- **We act together** to get things done and achieve more.
- **We are bold**, unafraid to stand up and do what's right.

## We are informed by what older people tell us is important to them

We create opportunities for people in later life to have a voice on many strands of Age UK's work – we listen to older people's thoughts on the issues which matter the most to them, we campaign alongside older people and we have sounding boards of older people to be involved in and to inform our policy, service development and fundraising.



# What we achieved

## The situation facing older people



**We campaign and research**



**Pensioner poverty is at its worst** since 2007/08.<sup>1</sup>



The social care crisis is costing the NHS over **£500 per minute**.<sup>2</sup>



**We provide information and advice**



**£3.8 billion** in Pension Credit and Housing Benefit goes unclaimed by older people every year.<sup>3</sup>



**2.9 million+** older people say they have **no-one to turn to for help and support**.<sup>4</sup>



**We transform health and care services**



**Nearly 900** older people are being admitted to hospital each day because their care needs aren't being met.<sup>5</sup>

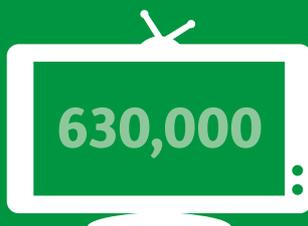


**Only about one-third of people** aged 50+ are confident that older people receiving care services are treated with dignity and respect.<sup>6</sup>

## What we do

We campaign on the issues that older people tell us matter to them to help make life better for older people today and tomorrow.

## Achievements in 2018/19



**630,000+** campaigners signed our petition calling for the Government to take back responsibility for the TV licence concession for the over 75s.



Our calls for a much needed reform of social care led to **873 stories in the national media.**

We provide expert, impartial information and advice on all areas of later life, through our national Advice Line, our website, and by supporting our local partners to give face-to-face advice.



In 2018/19, the Age UK network identified **£197 million in unclaimed benefits.**



**96 per cent** of callers were **satisfied or very satisfied** with our service.

We put older people in control of the care they receive and share best practice to drive for higher quality and person-centred services.



Our Person-Centred Integrated Care programme saw an **8 per cent increase in wellbeing of participants.**

**96 per cent** of local Age UK registered health and care services are rated **'Good' or 'Outstanding'**, significantly above the national average of 79 per cent.<sup>7</sup>

## The situation facing older people



**We deliver wellbeing programmes**



**49 per cent** of older people (equivalent to over 5 million individuals) say **the television or pets are their main form of company.**<sup>8</sup>

In 2017/18, there were nearly **46,000 excess winter deaths amongst people aged 65 and over** – the highest we've seen in over 40 years.<sup>9</sup>



**We support the Age UK network**



**1.4m**

**1.4 million** older people in the UK today are often lonely.<sup>10</sup>



**Nearly 11 million people** aged 50 and over in England are living with one or more needs.<sup>11</sup>



**We work internationally**

**Three out of four** people in the world live without any form of social pension.<sup>12</sup>



**26 million** older people are affected by natural disasters every year.<sup>13</sup>

## What we do

We work with our local partners to improve older people's wellbeing and tackle loneliness and isolation, and run our own national telephone friendship service.

## Achievements in 2018/19

**Our winter warmth programmes helped 23,049 older people** last winter with benefits advice, information on staying warm and well in winter, and energy efficiency improvements in people's homes.



Our Joining Forces programme has improved the quality of life and wellbeing for **32,171 older veterans**.

We help the Age UK network to raise money and improve the effectiveness and quality of their organisations, so they are in the best possible shape to meet the needs of their community.



We provided **£13.6 million in direct funding to local Age UKs**.

**We secured £4.3 million** in funding by supporting local Age UKs with their tender bids.

Our subsidiary charity, Age International, helps older people in some of the poorest places in the world – improving lives and being there if disaster strikes.



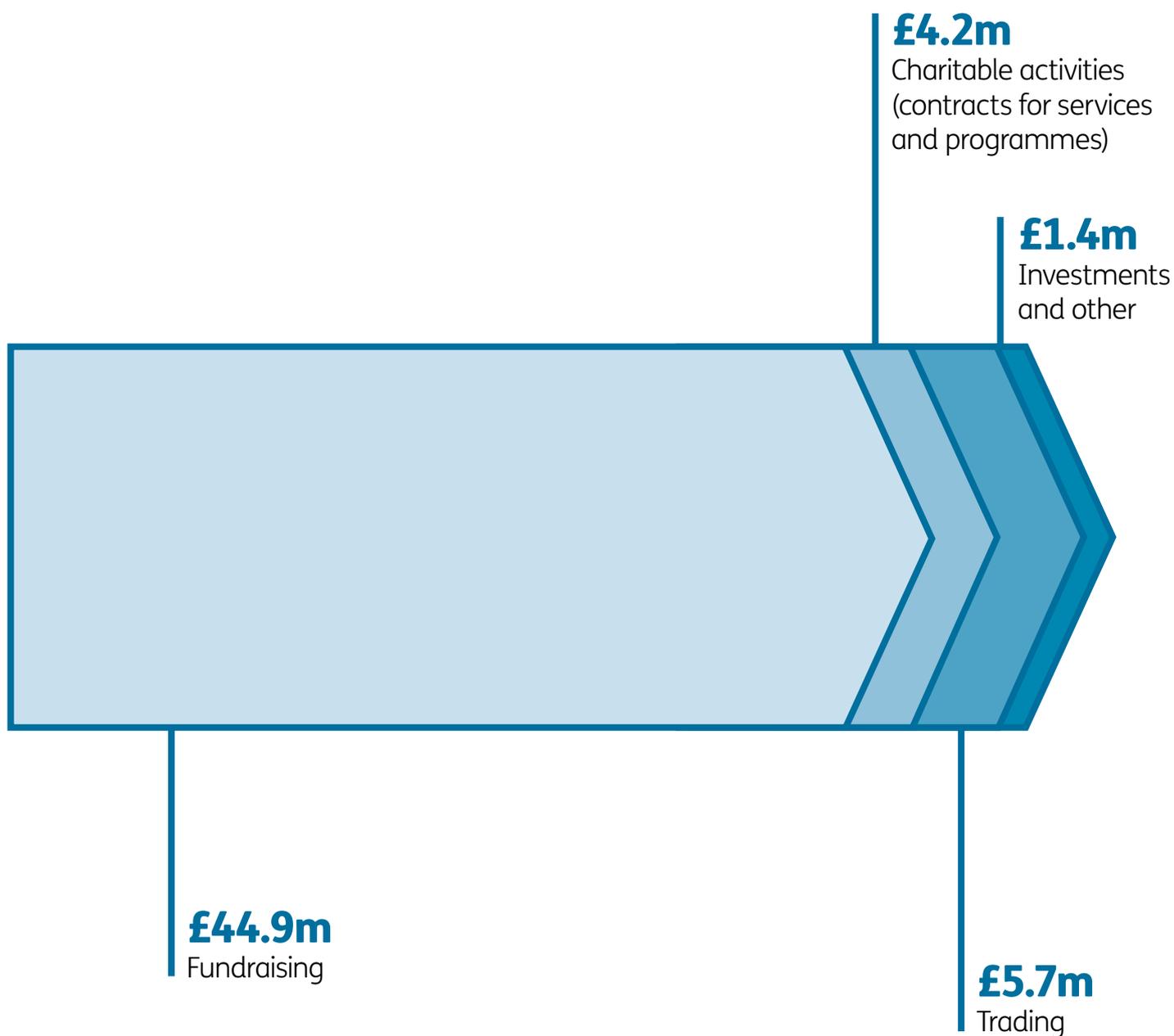
We supported 900,000 older people to **access health and care services for the first time**.



**We supported 45,000 older people** following natural emergencies or conflicts in 11 countries.

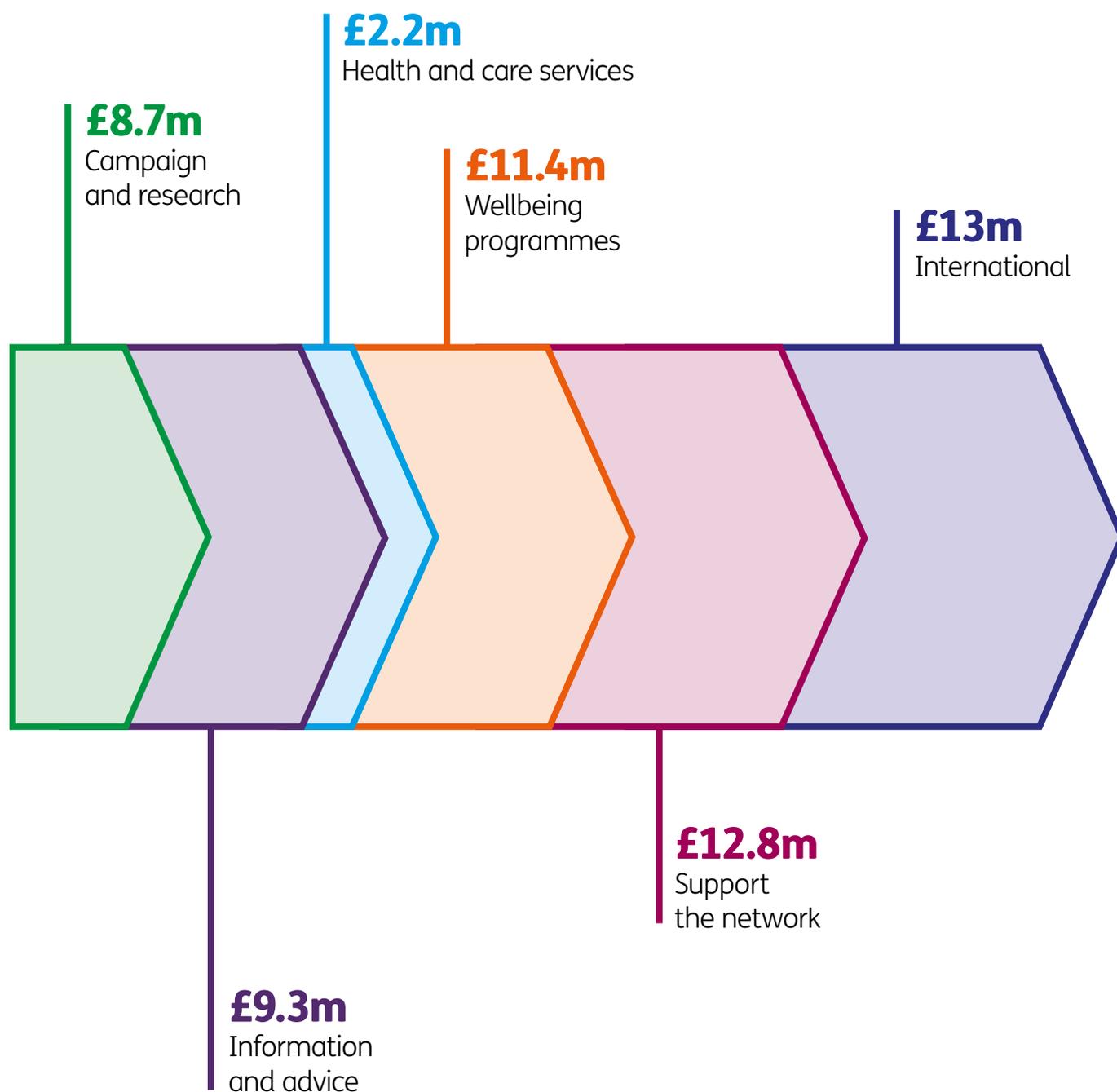
# How we raised our money

Our net resources available for charitable activity were **£56.2 million**



# How we spent our money

We spent **£57.4 million** on charitable activity



# Age UK's three-year strategy



## Our strategy for 2019–22 is crucial for all of us at Age UK and the older people our charity exists to support.

Our focus, more than ever, is on the older people who need us the most. Too many older people are living in poverty or just above the poverty line. Too many find themselves without the care and support they desperately need. Too many have no one to turn to.

### 3 priorities

The things, above all else, we'll work to achieve, and that will shape everything we do over the next three years; with the older people who need us the most at front and centre.

### 6 charity objectives



The changes we'll aim to achieve for older people in each area of our work.

### 3 enablers

The foundations that will make achieving our strategy possible.

### 3 values



The characteristics everyone who works and volunteers for us will aim to demonstrate in all that we do, and how we will work together with and for older people.

# Age UK's three-year strategy

Our strategy is focused on delivering one overarching objective – to help more of the older people who need us the most.

## Our three priorities

### **We'll put front and centre the older people who need us the most**

Many of the older people who need us the most struggle every day and feel they have no one to turn to. Age UK will be here to help. We'll continue to work in the interests of every older person, but focus on making the most difference to those who need us most.

### **We'll help local communities through enduring local support**

Age UK will help ensure that local support continues to be there for older people. The Age UK network is unique in how it transforms local lives. But demand has never been so great, while sustainable funding is scarce. We will do more to help our local partners be there for the older people in their communities.

### **We'll boldly ask for help and support**

Age UK will inspire people to stand alongside us so that together we can do more. We work in partnership with supporters, campaigners, volunteers and like-minded organisations. But we need more people and organisations to donate their money, voice and time to support our charitable work.

## Our six charity objectives

Our charitable objectives span across six areas of activity – campaigning and research, providing information and advice, transforming health and care services, delivering wellbeing programmes, supporting the Age UK network and working internationally. You can read more about our charity objectives in these areas for the next three years and our plans for 2019/20 on pages 24 to 57.

## Our three strategic enablers

### **We'll deepen our relationships with our charity audiences**

We'll develop deeper, two-way relationships so our charity audiences feel valued and engaged and know that their role in helping older people is recognised and celebrated.

### **We'll strengthen our organisational infrastructure**

We'll focus on strengthening our foundations, ensuring the support provided by our central services (such as IT, finance and HR) is efficient, effective, customer focused, and that we enable all staff to do their jobs well in an inclusive and diverse environment.

### **We'll build incremental and sustainable income growth**

Across all of our income streams, we'll invest in the long-term, sustainable growth needed to do more for older people.



### **Together with the Age England Association, we launched 'The Big Conversation' in January 2019**

to develop a shared vision and strategy for the whole Age UK network for the next decade. Age UK's strategy, both now and in the future, will support and adapt to the outcome of this work. You can read more about The Big Conversation on page 50.

# Charitable activities





# We campaign and research

We spent **£8.7 million**

**Our three-year objective:** We'll make the most difference to the most disadvantaged older people through effective campaigning and influencing, underpinned by policy work and research.



**As part of our Care in Crisis campaign, Penny the Age UK piggy bank visited 20 cities, towns and famous landmarks** to highlight the fact that delays in discharging older people from hospital because suitable care isn't in place cost the NHS £500 a minute. We ran 25 events, involving 19 local Age UKs and 9 MPs. Our parliamentary event to discuss the campaign welcomed 61 MPs.

## Why we campaign and research

It's vital that the voices of older people are heard by those who have the power to make decisions that affect them. Our public policy and research expertise, coupled with the Age UK network's keen insight into the challenges local older people face, enable us to spearhead powerful campaigns on the issues that matter most to older people.

## The situation for older people today

### Social care is in crisis

The social care system is on its knees with fundamental reform and a major injection of cash needed to prevent further decline in the availability and accessibility of good quality care.

**1.5 million** people aged over 65 in England, one in seven people, live with unmet care and support needs.<sup>14</sup>

**What's changed since last year:** Despite promises of a Green Paper on the reform of care and support by the last Government, no paper ever appeared. Meanwhile older people and their families struggle without the help and support they so desperately need. We are calling on the new Government to tackle urgently both the immediate funding crisis and the long term reform of social care.

We welcomed the new NHS Long Term Plan which focuses on supporting older people at home, but are concerned that the stalling on social care and workforce shortages could mean the positive initiatives in the Plan cannot be put into effect.

### Pensioner poverty is rising

Money worries can have a big impact on older people's wellbeing, sometimes meaning stark choices between eating, heating, and getting out and about.

**2 million** pensioners in the UK live in poverty, 1 million of those in severe poverty.<sup>15</sup>

**What's changed since last year:** The latest government figures show that pensioner poverty is at its worst since 2007/08.<sup>16</sup> The free TV licence for over 75s is under threat and changes to benefit rules introduced in May 2019 are stealth cuts that will hit the poorest the hardest.

### We're ageing unequally

Our society is getting older, but it's not happening at the same rate for everyone. Social inequality has a big impact on how long we live, leading to differences within local areas as well as between them.

**The 85+ age group** is the fastest growing in the UK and is set to double to 3.2 million by mid-2041 and treble by 2066.<sup>17</sup>

**What's changed since last year:** Increases in life expectancy are stalling and some groups, such as disadvantaged women, are experiencing a fall in healthy life expectancy.<sup>18</sup>

### **It's an uncertain world**

A fast changing world can be an uncertain one, and political stagnation has caused some important issues to be forgotten about.

**What's changed since last year:** Brexit itself leaves a question mark over issues of considerable importance to older people, such as the status of the care workforce, many of whom are EU nationals. Stagnation in Parliament continues to leave critical issues, such as the crisis in social care, at risk of being left in the long grass, to the detriment of many older people's lives.

### **Ageism is still prevalent**

Older people are still too often stereotyped by age, rather than seen as the individuals they are. They can be characterised in the media as universally healthy and wealthy, fuelling the old versus young narrative, or alternatively as feeble and pathetic, lacking agency, with their active participation in our society totally overlooked.

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**Age UK research** has found that the economic contribution of people aged 65+ in 2017 amounted to £160 billion.<sup>19</sup>

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### **How we help**

**Campaigning:** We campaign to raise awareness of the challenges and opportunities for older people, and to bring about societal and behavioural change. We mobilise people to campaign with us, such as the 630,000 plus people who signed our TV licence petition.

**Influencing, policy and research:** We use our policy, research and what we learn from delivering services to explain to politicians, decision-makers and other opinion shapers the challenges that older people face and possible solutions. We also fund the Disconnected Mind project at the University of Edinburgh, a long-term study which is discovering the secrets of staying sharp in later life.

**Engagement:** We listen to what older people tell us about the support they need and the issues that affect their lives. Our sounding board members help us develop our policy and services, and the sounding board we run for the NHS influences health policymakers. Our Your Voice panel hears from around 700 older people, with a focus on those whose voices are seldom heard, including older people who have dementia, from Black, Asian or ethnic minority backgrounds and the oldest old.



#### **In 2018/19 we...**

Kept up pressure on the Government **for the reform of social care.**

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**Influenced the NHS Long Term Plan** in the interests of older people.

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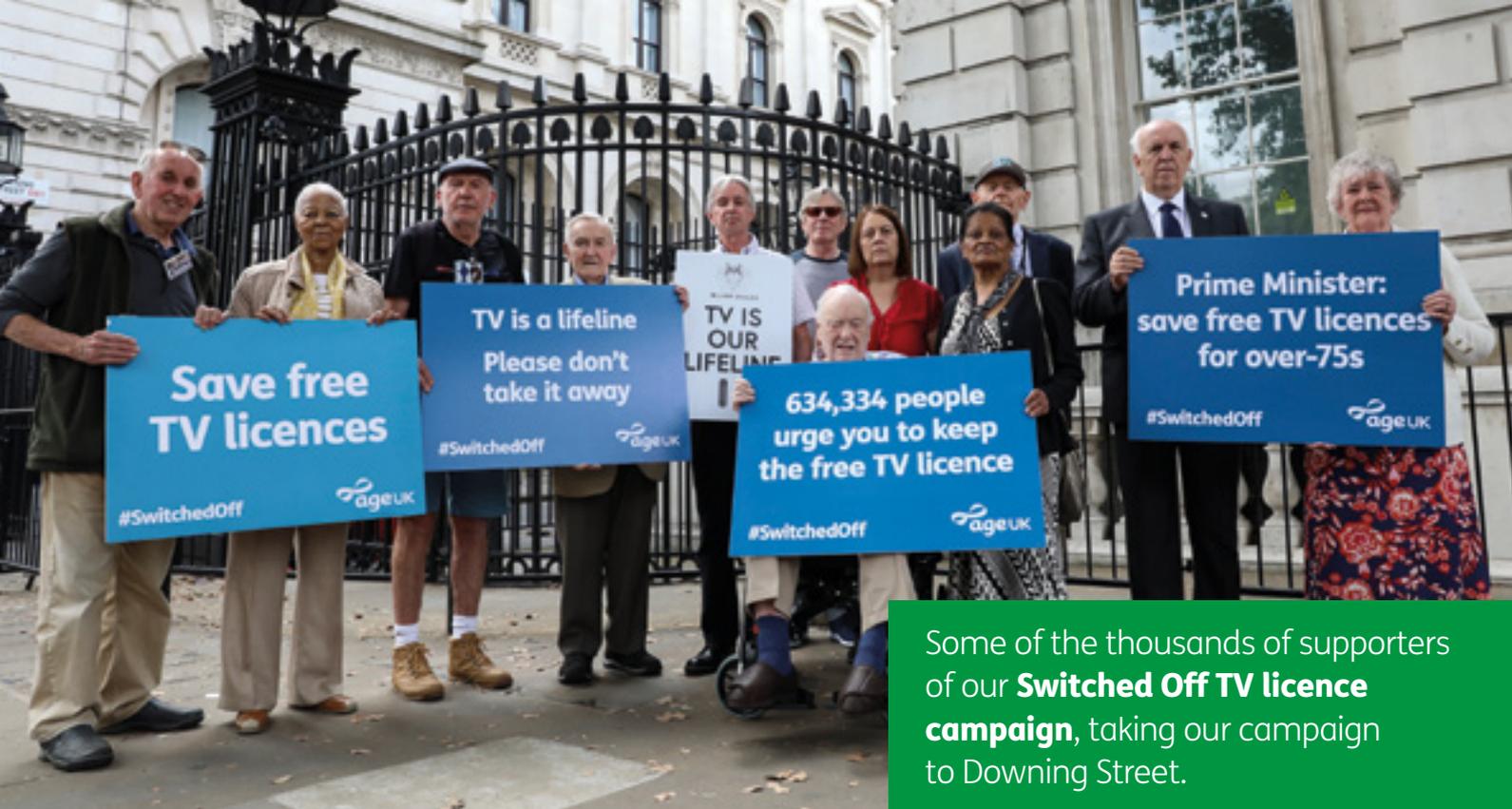
Fought for the **TV licence to remain free** for over 75s.

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Campaigned on the **unfairness of the age gap tax.**

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Helped develop a **new code of conduct for banks** to reimburse scam victims.



Some of the thousands of supporters of our **Switched Off TV licence campaign**, taking our campaign to Downing Street.

## What went well

### Fighting for social care reform

Our Care in Crisis campaign continued to fight for short-term funding and long-term social care reform, securing parliamentary debates and 873 media headlines during the Government's Brexit-induced sclerosis. The 230 attendees of our 'For later life' annual conference heard a keynote speech from the then Minister of State for Care and Support, Caroline Dinenage MP, on the Government's top aims and priorities, and discussed the future of social care, including the role of technology and workforce challenges. Our research report, ['The Failing Safety Net'](#), told the real-life impact of the crisis through the personal stories of just some of those affected, appearing in 11 national newspapers and TV programmes. We are concerned about the effect of Brexit on the care workforce so we've called on the Government to allow EU nationals to continue to come to the UK to work as paid care staff.

### Influencing the NHS Long Term Plan

The Government launched the NHS Long Term Plan in January 2019. Our response welcomed the addition in the Plan of many of the commitments we had called for, including the focus on integrated care and on improving the support older people can get at home, backed up by several billion pounds in vital funding. We continued to make the point that while the changes are a step in the right direction, the

plan will only really work if there's much more high quality social care on offer. Age UK's Charity Director, Caroline Abrahams, was subsequently appointed to the NHS Assembly and worked as a co-lead for the Plan's integrated and personalised care for older people work-stream.

### Stopping the TV switch off for over 75s

The BBC consulted on removing the right to free TV licences for all over 75s, a move which could hurt hundreds of thousands of older people, especially the poorest who can't afford to pay and who don't claim Pension Credit. Our Switched Off campaign, run in partnership with other age sector organisations, captured public attention and called on the Government to take back responsibility for what's essentially a welfare benefit. Our petition took off dramatically after the BBC announced that from June 2020 only recipients of Pension Credit will get a free licence. In the end it was signed by over 630,000 people. Our campaign was also supported by celebrities including Dame Helen Mirren and Ricky Tomlinson and taken up by Good Morning Britain, the Daily Mirror, Daily Mail and Daily Express, prompting several debates in Parliament. We enabled over 8,000 older people to share their stories with the BBC about why TV is such an essential part of their lives. If the Government fails to intervene to save free TV licences we will campaign to draw public attention to the impact of this change on older people when it comes into effect next year.

### **Campaigning against the age gap tax**

The Government took an ill-considered and unfair decision to stop couples with one partner below state pension age from making a claim for pension credit or housing benefit, a move which could see up to 40,000 people on low incomes being £7,000 a year worse off over the next three years. Our campaign mobilised 1,600 campaigners to write to the Department for Work and Pensions and we worked with Age UK East Sussex and local campaigners to protest in the constituency of the then Secretary of State for Work and Pensions, Amber Rudd. We encouraged eligible mixed aged couples to apply for Pension Credit or Housing Benefit before the May 2019 deadline, and achieved widespread media coverage to spread the word. We will continue to speak out for the older people who are now living in poverty because of this change.

### **Ending painful journeys**

Our Painful Journeys campaign to improve access to transport to and from hospital for older people had a significant win this year when the Government included improvements to hospital journeys as one of the priorities in its Inclusive Transport Strategy.

We encouraged 3,300 campaigners to write to the Government to explain how difficult they found it to get to hospital and how it affected their pain and anxiety. We will continue to keep up the pressure on the Government to deliver their plan and work with NHS England to improve older people's journeys to hospital.

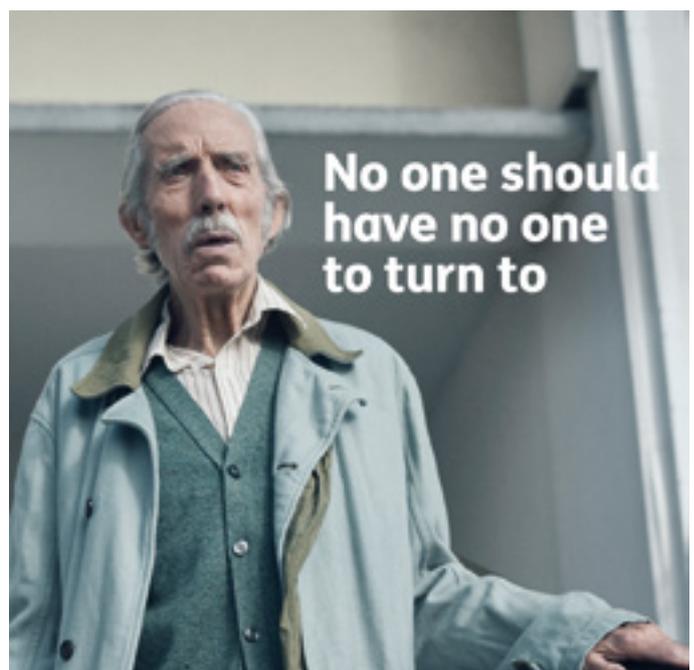
### **Influencing the private sector on scams**

Age UK analysis has found that an older person in England and Wales becomes a victim of fraud every 40 seconds.<sup>20</sup> As well as the effect of financial losses, older people can become repeat victims, which often seriously knocks their confidence and undermines their independence. This year we worked with banks and consumer groups to help develop an urgently needed new voluntary code of practice for the banking industry which aims to get compensation to more victims and ensure they aren't penalised for fraudsters' criminal actions. We'll monitor progress to ensure that it really provides adequate protection.



### **No one should have no one to turn to**

Our 'No one should have no one' campaign returned for its third year. This year we drew attention to the 2.5 million older people who feel they have no one to turn to and the help that Age UK's telephone Advice Line offers 365 days a year. Our 'We are here' TV advertisement and a successful partnership with Channel 4's celebrity call centre told just some of the personal stories behind this unacceptable statistic, and highlighted all that Age UK can do to help through our information and advice. Our analysis showed that the campaign reached 56 per cent of all adults.



## Where we've improved in 2018/19

### Being more inclusive in our campaigning

In last year's report we said we would be more inclusive in our campaigning and communications. This year we asked older people from Black, Asian and minority ethnic (BAME) backgrounds, and local Age UKs with diverse communities, how we could improve. We set out ten first steps that we've acted on immediately, including improving the selection process for how we choose the issues we campaign on, changing the images we use in our campaigns, and ensuring that our face-to-face campaign actions, like attending demonstrations or providing opportunities to speak to the media, are accessible to older people from all backgrounds. We shared what we learned at our annual Influencing Conference for the Age UK network to help spark widespread conversation and change.

## Where we can get better

### Increasing our impact for those who need us most

We want to do more to make a difference for the older people who need us most. So our priority for 2019/20 is to get better at identifying, understanding and giving a voice to those people, and to do more to show how we have helped them, working together with other organisations that share our aims.

### Deepening our relationships with our campaigners

Well over half a million people supported our campaigns this year (thanks to the success of our TV licence campaign in particular). Due to these unprecedentedly high numbers we haven't been able to capitalise on their engagement with us and our aims. We need to understand more about who they are and how they want to work with Age UK to keep them motivated and engaged. We are working to ensure our new supporters get to know more about Age UK, and the different ways they can support our work, and we are listening to their views as we plan our next steps in campaigning.

## Our plans for 2019/20

**We'll continue to press for urgent reform of the social care system**, and the funding needed to create a sustainable system fit for the future. We will also work to drive improvement in the social care market and across the care workforce.

**We'll build on our TV licence campaign** by pressing the Government to tackle pensioner poverty. We'll also campaign to reduce financial exclusion, exploitation and scams.

**We'll push for the new Government to continue to prioritise tackling loneliness** in the wake of the previous Government's loneliness strategy. We'll highlight specific social and practical issues that can help reduce loneliness, such as decent transport, digital inclusion, opportunities to volunteer, and social prescribing.

**We'll prepare for all political eventualities**, including the early General Election, prioritising action where older people's rights and interests are at risk or there are big opportunities to advance them.



# We provide information and advice

We spent **£9.3 million**

**Our three-year objective:** We'll reach out to older people, their carers and their families, to support them with the impartial, personalised and expert information and advice they need.

## **'I'd have been none the wiser.'**

Our caller's mum had been paying her own care home fees but now needed help, so her son contacted social services. He was told that he would need to pay a £50 a week top-up. We advised him to ask social services about care homes that could meet his mother's needs without a top-up. They agreed to waive it instead.

**'If it hadn't been for your help we would have been none the wiser and paying a £50 a week top-up we could hardly afford.'**



 **Advice Line**

**0800 169 65 65**

**[www.ageuk.org.uk](http://www.ageuk.org.uk)**

## Why we provide information and advice

Providing independent, impartial and expert information and advice is what Age UK and the Age UK network is best known for and what people expect us to provide. It sounds simple, but when it's done right it can be life-changing. We speak to older people day-in day-out, both nationally and locally, so we're constantly learning about the challenges older people face, which helps to shape our campaigns, programmes and services.

## The situation for older people today

### The world is getting more complex

Older people tell us it can be difficult to understand the benefits they're entitled to and find out what support and services are available to help them. The situation is made worse by an incredibly complex and opaque social care system.

**£3.8 billion** in Pension Credit and Housing Benefit go unclaimed by older people every year.

**What's changed since last year:** We're seeing a trend for longer, more complicated enquiries to the Age UK Advice Line. Over the past four years we've seen average call lengths increase by 35 per cent.

### Online isn't always the answer

Millions of older people don't have access to the internet and, even if they have, they often have complex needs that are difficult to find answers to. And 'digital by default' is increasingly the way that public services share information and access to services and entitlements.

**45 per cent** of over 75s have never used the internet.<sup>21</sup>

### Having no one to turn to makes it worse

Free face-to-face and telephone services, including those provided by charities, are disappearing due to a difficult funding environment, locally and nationally. This puts those older people who don't have friends, family or other support networks to help them in a very vulnerable position.

**Over 2.5 million** older people say they have no one to turn to for help and support.

## How we help

The Age UK network provides information and advice on nearly every topic, from what benefits are available for older people, to help with finding a care home. Last year, we responded to over 7 million enquiries, face-to-face, on the phone and online. Older people are missing out on billions of pounds of benefits every year, so an important part of our work is helping people through the process of claiming their entitlements.

**In person:** Face-to-face help is especially important to the older people who need us most, as they may have more complex needs which are better supported by in-depth conversations and require the local knowledge and expertise that local Age UKs have to hand. We work with local Age UKs to ensure their services are of a high standard and together run local programmes, which we often use to test out new kinds of support.

**On the phone:** The Age UK Advice Line is a national telephone advice service which is open 365 days a year. It's ideal for people who may not be online, who would prefer to talk to about the issues they're facing, or for those who are dealing with a more complex range of concerns that are difficult to answer online.

**Online and in print:** Age UK's national and local websites help millions of people each year through plain English information that's ideal for people whose needs are fairly simple or broad, or need to know where to start. Our printed guides and factsheets are available in hundreds of places, from GP surgeries to local Age UKs across the country.

## What went well

### Running the Age UK Advice Line

Our Advice Line team answered 200,476 calls and emails from older people, their families and friends (2018: 210,218). The most popular topics continued to be the services the Age UK network can offer, benefits and personal care. The fact that older people's needs continue to become more complex translated into longer calls. We researched what our callers thought of our services and were delighted that 96 per cent were satisfied, very satisfied, or highly satisfied with the service, rating our advisers very highly for their politeness, listening skills, and understanding of their needs. 77 per cent said they received all or most of the information or advice they needed, and 45 per cent reported they'd taken action as a result. People told us they felt more 'in control', better about their situation, and more confident and empowered.

### Providing information online

Age UK's national website welcomed 6.6 million visitors, of whom 5.6 million (2018: 5.2 million) were looking for information. We continued to promote our benefits calculator by testing different ways to encourage people to use it, with a record 234,000 people (2018: 183,000) finding out what they were entitled to. We know that lots of people would benefit from face-to-face advice and local services, so we've continued to make it easier for our website visitors to find out what's available at their local Age UK. By providing up-to-date information and making it more prominent across our website, our local services directory was used by 703,000 visitors (2018: 655,000).

### Helping the Age UK network provide high quality information and advice

Our local and national partners responded to 667,000 information and advice enquiries (2018: 744,904). This reduction is because there are fewer local Age UKs and cuts to local authority funding for information and advice have reduced capacity. We work with the Age UK network to support our local and national partners to offer high quality services. We provide training and run events, which were attended by colleagues from 97 local and national partners. Through our Information and Advice Quality Programme (IAQP), we assess whether local services meet the high standards that older people expect and need by checking case records, mystery shopping and ensuring that staff are well trained. This year, our external assessor reviewed 450 advice cases and carried out 81 mystery shops. Every local Age UK must complete the programme by 2021 and by the end of this year 58 had done so, with assessment underway at 20 more.



### In 2018/19 we...

**Responded to over 200,000 enquiries** through the Age UK Advice Line.

Provided information to the **5.6 million who visited our website** for information.

Trained colleagues at **97 of our local and national partners**.

Identified **£197 million in unclaimed benefits** with the Age UK network.



### **Delivering funded programmes**

Support from corporate partners and charitable trusts enables us to deliver community-based information and advice programmes with local Age UKs. These programmes give us opportunities to test new ways of strengthening and delivering information and advice, especially for those who need us the most. We share what we learn to help design and improve services across the Age UK network.

**Later Life Goals** is funded by the masonic Charitable Foundation and is being delivered by 12 local Age UKs and one local Age Cymru between October 2018 and September 2021. The programme offers face-to-face, person-centred information and advice sessions, often in older people's homes. We are targeting people experiencing a significant life event or change, such as the loss of a loved one, having a fall or becoming a carer, as our research shows that such events can trigger loneliness and isolation, and are aiming to support 10,000 people over three years. In its first six months, Later Life Goals helped over 1,400 people, with 82 per cent of people receiving a home visit. We helped many of these people maximise their income through benefits entitlement advice. So far we've identified an average of £4,142 of unclaimed benefits per person, per year.

**Better Later Lives** has been made possible thanks to funds raised by Credit Suisse. The programme started this year and will provide one-on-one support and advice to over 30,000 older people when they're facing the most difficult challenges including loneliness, money worries and unmet care needs. Advice and support is being delivered through the Age UK Advice Line and by local Age UKs in South London, Devon, Gloucestershire and North Yorkshire.

### **We ask Better Later Lives participants about their feelings of loneliness and wellbeing during their initial advice session.**

Our early research shows improved feelings of wellbeing or reduced feelings of loneliness (or both). For example, 57 per cent of those who reported being often lonely during their first Better Later Lives advice session said they were less lonely (now 'some of the time' or 'hardly ever or never' rather than 'often') during their follow-up sessions.



## Identifying unclaimed benefits

Providing benefits advice can be life-changing, as millions of older people who are under financial pressure aren't getting what they're due. 21 per cent of enquiries to the Age UK Advice Line and 46 per cent of enquiries to our local partners are about benefits. Together, the Age UK network identified £197 million (2018: £194 million) in unclaimed benefits for older people and supported them to claim those entitlements.

## Where we've improved in 2018/19

### Making the Age UK Advice Line more resilient

In last year's report we said we wanted to ensure that the line keeps running in difficult circumstances after the 'Beast from the East' winter storm led to a reduced service. This year, we've continued to work on improving the line's resilience. We've updated our telephone systems and run a successful homeworking pilot to enable colleagues to take calls even if our call centre is out of action. We now have a number of colleagues who are able to work from home. We still have work to do, but have made good progress and will continue to improve in 2019/20.

## Where we can get better

### Connecting the Age UK Advice Line to local services

In last year's report we said we wanted to re-connect the line to the advice lines run by local Age UKs, enabling us to pick up their calls and to enable call-backs for local support. The Advice Line is now taking out-of-hours calls from 81 local Age UKs, extending the availability of our shared service, and we're continuing to work on a technical solution to booking call-backs – the technological challenges have been more significant than we anticipated but we expect to get call-backs running again in 2019/20.

## Our plans for 2019/20

**We'll profile at least 2,000 of our Advice Line callers** to look at the extent to which our current callers are the older people (or people calling on their behalf) who need us the most, helping us better understand who we reach and how to help them more.

**We'll work with every local Age UK to improve the quality and efficiency of their information and advice services**, aiming for 80 local Age UKs to have achieved the Age UK Information and Advice Quality Programme standard by March 2020.

**We'll develop and pilot a new Information and Signposting Quality Programme** to ensure that signposting to other organisations is carried out to the highest standard.

**We'll roll out the integration of our Advice Line service to at least 90 local Age UKs**, so the Age UK Advice Line can book a call-back from a local Age UK.



# We transform health and care services

We spent **£2.2 million**

**Our three-year objective:** We'll enable older people to have access to high quality, locally available services that address their health and care needs, provided by the Age UK network.



Judith attended group therapy sessions delivered as part of our dementia pilot. **'I didn't realise how far I'd come down [mentally] until it was too late to come back up on my own. I am amazed how in only five weeks of coming to the sessions, the group has lifted me back up.'**

\* Image does not show Judith

## Why we transform health and care services

The social care system is broken and it's clear that fundamental change and a lot more public investment are needed. We campaign for change nationally (see page 26), but also think it's vital that we work to improve how local health and care services are delivered and commissioned. This is especially so given the crucial role the Age UK network plays as a provider of thousands of services to tens of thousands of older people, but local Age UKs face huge demand while having to compete fiercely for ever – diminishing funding.

## The situation for older people today

### Where you live matters a great deal

Where a person lives profoundly affects what services are accessible and available to them. It's a postcode lottery meaning many go without the care and support they need because it's not available in their area.

**What's changed since last year:** [New Age UK research](#) has discovered the existence of many 'care deserts' where older people can't access residential or home care, whether they can pay for it or not – with one in seven older people not receiving the care they need and 3 million hours of care lost over the last three years.<sup>22</sup>

### Health and care professionals and providers don't always work together

People living with multiple health conditions are struggling to get the joined up help they need from healthcare professionals and care providers.

**54 per cent** of older people have at least two chronic health conditions.<sup>23</sup>

**What's changed since last year:** Integrated care systems are at the heart of the new NHS Long Term Plan. This is welcome, and the first step needed to bring together the different agencies, authorities and organisations who deliver health and care services.

### Care quality isn't always as high as it should be

Older people and their families are worried about the consistency and quality of care in hospital and also at home, due to rushed care visits and frequent staff changes. This is especially so for older people with significant health issues, including dementia or other forms of cognitive decline.

**44 per cent** of urgent and emergency services are rated as requiring improvement.<sup>24</sup>

### Emergency hospital admissions are avoidable, as are lengthy stays

Unnecessary stays in hospital can have a detrimental effect on the health and wellbeing of the older people involved and costs the NHS and local authorities lots of money.

**Age UK's research** shows that nearly 900 older people are admitted to hospital every day for conditions that shouldn't require a hospital stay if the right community based support was in place.<sup>25</sup>

**Delayed discharges from hospital** due to the lack of social care cost the NHS more than £500 every minute.<sup>26</sup>

## Person-centred care can improve wellbeing

Older people tell us they want help to remain independent, maintain contact with their local community, have a caring relationship with the person or people helping them, and be fully involved in decisions about their care and future – but we know that many people are missing out on these things at the moment. They are all central to person-centred care and crucial for maintaining wellbeing.

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**Our Person-Centred Integrated Care** pilots saw a statistically significant increase in mental wellbeing (average of 8 per cent) from when people started the programme to when they achieved their personal goals.

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## How we help

**Transforming the Age UK network's services:** We work with the Age UK network to improve the quality of their care services, such as home care, day care and foot care. We provide guidance and insight to help ensure that service design is driven by evidence of what works, and we support local Age UKs with tools and resources to ensure that their services are delivered in a person-centred way. We work together to sustain local services, helping our partners to identify and secure increasingly scarce funding.

**Delivering health and care programmes:** Working with local Age UKs, our programmes are focused on geographical areas where there is a gap in the services available to older people, and where we can test new ways of delivering them. We share what we learn with the wider Age UK network and the health and care sector.

**Delivering Experts by Experience:** Age UK delivers the Experts by Experience service in the Central Region for the Care Quality Commission. The Experts, people who have used health and social care services in the past, bring their real-life insights to the Commission's inspections.

## What went well

### Demonstrating the impact of Person-Centred Integrated Care

We established Age UK's ground-breaking Person-Centred Integrated Care programme in 2011 at a time when integrated care was niche, unproven and in its infancy. Today, the intent, if not the practice, is truly mainstreamed. We are proud of the programme's many specific achievements, especially its life-changing impact on the thousands of older people who participated in the programme, and its wider contribution to the shift in policy and practice.

Our objective was to test a new person-centred way of working to improve wellbeing and care quality and join up services, while reducing emergency hospital admissions. The final pilots ended this year. We've used what we've learned, specifically the person-centred approach, to design new programmes and improve the Age UK network's services. Our findings have been shared far and wide, including with the wider voluntary sector, health professionals and academics in the UK and internationally. We found that the key ingredients to enhance wellbeing were:

- Helping older people to become aware of their needs and empowering them to be in control of their choices.
- Enabling independence through practical support, such as taking people on shopping trips or to the theatre, providing an extra level of support which goes beyond the support offered by public services.
- Motivating older people to re-engage with interests and become more socially connected.

The programme demonstrated an effective way for the voluntary sector to work with primary care providers, like GPs and district nurses. This joined up



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**We saw an 8 per cent (2.25 points) average increase in wellbeing scores** of participants from when people started the programme to when they achieved the personal goals they'd set for themselves, things like being able to reconnect with an old hobby, or get out again to walk their dog.

way of working has helped prompt a shift towards the voluntary sector, including local Age UKs, being seen by commissioners as important and significant delivery partners.

In last year's report we said that the Nuffield Trust was evaluating the impact of the Person-Centred Integrated Care programme on reducing emergency hospital admissions, and other hospital activity and costs. Its evaluation found that the programme had not reduced costs as we had hoped, but that costs had increased. This may be because the programme was better at identifying and responding to people's unmet health and care needs, leading to more rather than less hospital care. Findings from our own qualitative research indicate that the workload on primary care services fell because older people who would normally seek help from their GP for underlying non-medical needs have not had to do so, however this has been difficult to quantify.

Measuring cost savings is difficult given the number of factors involved, but wider research into integrated care suggest that its impact may be more human, with higher patient satisfaction and better wellbeing rather than financial impact being the core outcomes.



### In 2018/19 we...

**Shared the learning** from our Person-Centred Integrated Care programme.

Worked to improve the quality of regulated health and care services delivered by our local partners, with **96 per cent rated 'good' or 'outstanding'**.

**Supported 772 CQC inspections** through our Experts by Experience.

**We couldn't have delivered our Person-Centred Integrated Care programme without the support of our partners, and we wish to thank all of those who took part in the programme from NHS organisations and local authorities, to local Age UKs and other voluntary organisations.** We'd also like to thank the older people who took part in the programme, and who gave their consent for us to use their data to understand its impact. We are grateful for the funding from the following organisations which made the programme possible: Big Lottery Fund; Stavros Niarchos Foundation; Mercers Charitable Foundation; Roger de Haan Charitable Trust; Evan Cornish Foundation; Nesta; and the Cabinet Office Centre for Social Action.

### **Improving the quality of local Age UK regulated services**

Thirty local Age UKs offer services that are regulated by the Care Quality Commission because they provide personal care, which includes things like help with feeding, washing and toileting. We've supported 13 of them to prepare for inspections this year, focusing on those without a 'good' or 'outstanding' rating. We think it's important that any service offered under the Age UK name achieves the highest quality. We provided one-to-one support and developed toolkits to help local Age UKs self-assess their services and audit the quality of care they provide. Overall, 96 per cent of local Age UK registered services are rated 'good' or 'outstanding', significantly above the national average of 79 per cent.

### **Delivering Experts by Experience**

This year our 60 Experts by Experience took part in 772 (2018: 874) inspections of health and social care services alongside Care Quality Commission (CQC) Inspectors, ensuring that the voices of people and their families were heard.

### **Delivering programmes**

**Dementia service:** In October 2018 we worked with seven local Age UKs to expand the delivery of a cognitive stimulation therapy programme for people with mild-to-moderate dementia in areas where there's a gap in the provision of similar services. This work drew on the project's initial pilot phase we ran

in 2017/18. This year, the programme has supported over 70 older people, who've attended structured group activities that aim to maintain cognition and improve wellbeing in a supportive environment. As well as seeing participants' wellbeing improve, people feeling more confident, and making new friends, the programme helped participants' carers by offering respite and improving life at home, and equipped paid and volunteer facilitators with new skills. The programme is popular and at least two local Age UKs from the pilot phase in 2017 have secured local funding to deliver the service, and six of these local Age UKs are keen to keep the programme running and are looking for new funding. We've shared what we learned across the Age UK network, enabling local Age UKs to set up similar services, for example cognitive stimulation therapy for older veterans being developed as part of our Joining Forces programme (see page 45).

### **Improving discharge from hospital in winter:**

Leading up to the winter of 2018/19, we were asked by NHS England if we could help ease the pressure on hospital beds. We secured over £400,000 of NHS England funding for 12 local Age UKs to support hospital trusts experiencing delays in discharging older patients from hospital, helping to ease the pressure on winter bed shortages. This paid for practical support, including transport from hospital and ensuring that appropriate care was in place when people got home. From January to March 2019, we supported 2,422 older people.



## Where we've improved in 2018/19

In last year's report we said that we were going to move our work on health and care services away from the Person-Centred Integrated Care programme. In 2018/19 we shifted our focus to supporting local Age UKs to transform the services they provide in communities up and down the country. We will bring what we learned from the Person-Centred Integrated Care programme with us, but this shift will enable us to have more impact in total.

## Where we can get better

### Capitalising on our existing knowledge

Age UK and the wider Age UK network are continuously evaluating the work that we do to support older people. These findings and reports potentially hold some rich evidence and learning for those developing new services, looking to improve existing services or seeking to secure funding for services. However, we don't always use this cumulative knowledge, evidence and learning to the full as we don't always share what we've learned effectively. We will work with the Age UK network to get better at sharing knowledge in 2019/20.

### Sustaining, developing and improving local Age UK services

We want to focus more of our support on enabling our local partners to sustain, grow and continuously improve the valued services they provide locally and, in doing so, reach more of the older people who need us most. We can improve our methods for transforming services, sharing expertise and resources aligned to health and care service development throughout the Age UK network.

## Our plans for 2019/20

**We'll work with local Age UKs to provide guidance, insight about what works, and highlight opportunities** so that local Age UKs can develop, sustain and grow local services that respond to what older people want and need.

**We'll deliver population and market analysis of local and regional areas** to help local Age UKs plan and target their services.

**We'll invite older people to tell us more about their experience** and expectations of high quality services, helping to support continuous improvement.

**We'll help local Age UKs to support and develop the staff who deliver their health and care services** by providing access to training and development opportunities.

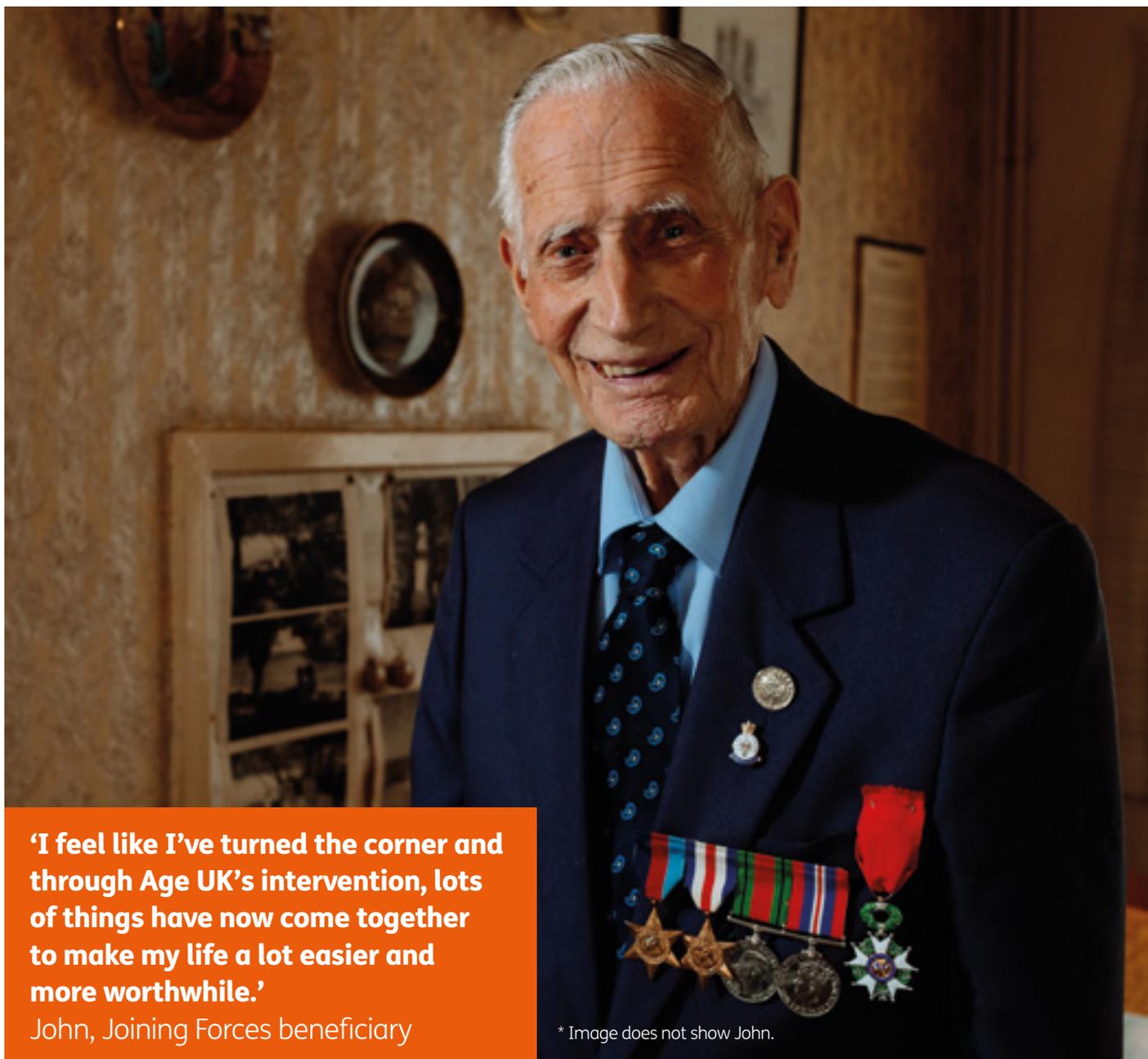
**We'll increase our ability and capacity to gather and analyse information on local Age UK services**, helping us understand more about what they provide and their impact.



# We deliver wellbeing programmes

We spent **£11.4 million**

**Our three-year objective:** We'll deliver wellbeing programmes that have a big impact on wellbeing and provide long-term benefit to the Age UK network's services.



**'I feel like I've turned the corner and through Age UK's intervention, lots of things have now come together to make my life a lot easier and more worthwhile.'**

John, Joining Forces beneficiary

\* Image does not show John.

## Why we deliver wellbeing programmes

Our research tells us how much of a difference being happy and healthy makes to older people's lives so it's an obvious focus for us, especially given our network of local Age UKs that have a lot of expertise in delivering such programmes, tailored to their local communities. Corporate and public sector organisations are always on the lookout for opportunities to make a difference to local communities, so it makes sense for us to bring them together with the Age UK network to do so. We use what we learn to help improve other services run by local Age UKs and to support our campaigning.

## The situation for older people today

### Lots of factors contribute to living well

Age UK's research shows that lots of factors affect how people feel as they age including how connected people feel to others, worrying about money or not, where people live and the services available to them, and physical and mental health.

**Age UK research shows that participation in enjoyable**, meaningful activities is the biggest direct factor for wellbeing. This could be in creative, cultural, civic, and/or social activities.<sup>27</sup>

### Loneliness and isolation is pervasive and profound

Too many older people say they feel lonely and about 5 million older people say the television or pets are their main form of company.<sup>28</sup> As well as affecting wellbeing, loneliness can lead to greater reliance on health and social care services, including more frequent visits to GPs and early admission to residential care.

**1.4 million** older people living in England are often lonely.<sup>29</sup>

**What's changed this year:** In October 2018, the Government announced a new strategy on loneliness. We welcome the new strategy and support its commitment to tackling loneliness as a major public health problem.

### Where you live is important

Being happy and comfortable in your home significantly affects wellbeing in later life, whether you live independently in your own home, or in a care setting. Having a safe and warm home is important, especially during the winter months.

**What's changed this year:** In 2017/18 there were nearly 46,000 excess winter deaths amongst people aged 65 and over – the highest we've seen in over 40 years.<sup>30</sup>

### It's a digital world

Many older people connect with one another through social media and use the internet to chat online, catch up on news and make purchases. But millions don't, and miss out on the many opportunities being online brings. This includes access to public services as they go 'digital by default', often without alternatives.

**3.4 million** people over 65 have never used the internet.<sup>31</sup>



## How we help

### Wellbeing programmes

Almost everything the Age UK network does helps to improve wellbeing in one way or another, including tackling loneliness and isolation by bringing people together. Age UK supports local Age UKs to deliver programmes funded by our generous trusts, corporate and public sector partners. Recent wellbeing programmes have provided a wide range of activities, from fitness classes to helping older people to get online. The Age UK network also provides practical support to help older people stay warm and well in winter. Part of these winter programmes involve providing energy efficiency checks in people's homes and installing items such as draught excluders and radiator foils. They also fund free benefit advice checks to help maximise people's incomes.

### Call in Time

Nationally, Age UK runs Call in Time, our telephone friendship service. Call in Time matches older people with volunteer befrienders. The service is integrated with some of the befriending schemes provided by local Age UKs, helping to take the pressure off their waiting lists.



### In 2018/19 we...

**Helped 21,886 older veterans** get the information, advice and support they need.

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**Supported 23,049 older people** to stay warm and well in winter.

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**Trained 101 volunteers** to deliver physical activity sessions and **recruited 293 digital champion volunteers** to help people develop basic digital skills.

## What went well

### Delivering funded programmes

**Joining Forces**, which we're running in partnership with SSAFA, the Armed Forces charity, involves projects in 12 communities that are improving the quality of life and wellbeing of older veterans. 16 local Age UKs (four of which work in a consortium) are providing a range of services and activities for veterans in their local areas, such as benefits advice, lunch clubs, and day trips and are connecting them with SSAFA services. In 2018/19, we helped 21,886 veterans and 18,247 family and carers (2018: 10,610 veterans and 4,888 family and carers). Age UK is testing a new Call in Time telephone friendship service which matches older veterans to volunteer veterans and offers group calls. Joining Forces has been made possible thanks to a three year grant from the Aged Veterans Fund, funded by the Chancellor using LIBOR funds.

**One Digital** is funded by the Big Lottery Fund. Working in partnership with Digital Unite, Citizens Online SCVO and Clarion Futures, Age UK is supporting people in high digital exclusion areas to get online or develop their basic digital skills with help from 'Digital Champions', volunteers trained to provide one-to-one support. This year, eight local Age UKs and Age Cymru partners supported 9,630 older people (157 per cent of target, 2018: 1338) and recruited 293 Digital Champion volunteers (211 per cent of target, 2018: 117).

**Get Active, Feel Great** is funded thanks to The Morrisons Foundation. We've trained 101 volunteers to deliver over 60 physical activity sessions to older people run by 31 local Age UKs. The activities have ranged from walking rugby, Nordic walking and chair based exercises to Tai Chi. The sessions not only lead older people to have healthier lifestyles, but very often help combat loneliness and isolation. Using questionnaires before and after participation in physical activity sessions we saw, on average, loneliness scores dropping and health improving.

**Our winter warmth programmes** supported 23,049 older people this year (2018: 22,061). Over 80 local Age UKs and Age Cymru partners visited 3,606 homes to carry out energy checks and 30,717 benefit checks, identifying £56.9 million in unclaimed benefits. We distributed 15,000 copies of our [Save energy pay less information guide](#).

Age UK is part of One Digital which supports a network of Digital Champions across the UK. Digital Champions share their knowledge to help people gain digital skills. Gavin, an Age UK Digital Champion in Leeds, helps older people get online and stay connected.

'It's essential. More and more services that people want to access are going online. It's vital that all of us have access to those services, and therefore have the skills that are needed to access those services.'





## Where we've improved in 2018/19

### Growing our Call in Time service

In last year's report we said we wanted to support more older people through Call in Time, our telephone befriending service. For the first time we're supporting more than 1,000 active telephone friendships thanks to a record number of volunteers and our success this year in encouraging older people to sign up. An exciting development this year came out of a 'hackathon' that we ran with a very dedicated team of data analysts from Credit Suisse, one of our corporate partners. They built a prototype safeguarding module which we hope to add to our online sign-up, referencing, and call scheduling system in the future.

## Where we can get better

### Reaching the older people who are most isolated

Our programmes deliver excellent, high quality services and activities for older people across the country through the Age UK network. However, we want to help more of the older people who need us the most, including those who are the most isolated and seldom heard, who may not know what we can do to help them. We need to ensure we have the resources and expertise to reach those people better and measure our success in doing so, helping us to improve. One example of this is our *No place like home* project, trialling the delivery of holistic support for older people who are homeless or at risk of homelessness.

### Increasing our range of activities and services

We'll increase the range of activities delivered through our programmes to better cater for the differing needs of older people. For example, our research shows that creative and cultural activities have the biggest impact on wellbeing so we'll develop, fund and deliver programmes that provide opportunities for older people to engage in such pursuits.

## Our plans for 2019/20

**We'll extend the reach and impact of our current programmes** which are aimed at encouraging people to be active and connected, particularly looking at ways to support those most in need, and develop new high impact, fundable programmes.

**We'll support older people to live safely, with comfort and dignity at home** by training, upskilling and mobilising new and existing local teams.

**We'll introduce the benefits of being online and of new technology** through new programmes and partnerships.

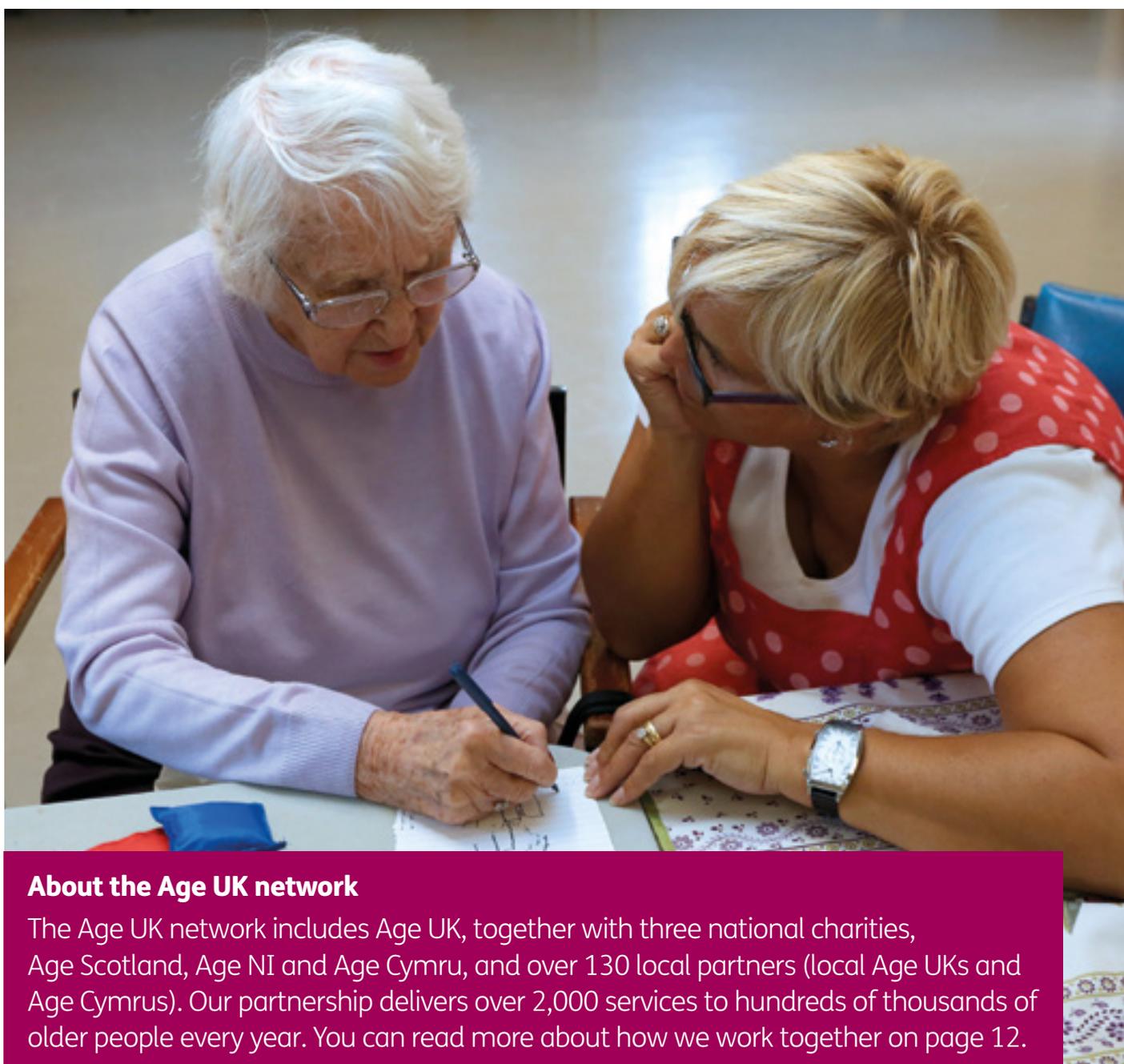
**We'll identify and support older people experiencing, or at risk of experiencing, loneliness** by training, upskilling and mobilising the Age UK network and other partner organisations.



# We support the Age UK network

We spent **£12.8 million**

**Our three-year objective:** We'll secure a strong and enduring local presence of Age UKs and other community organisations to deliver the support and opportunities that local older people need.



## About the Age UK network

The Age UK network includes Age UK, together with three national charities, Age Scotland, Age NI and Age Cymru, and over 130 local partners (local Age UKs and Age Cymrus). Our partnership delivers over 2,000 services to hundreds of thousands of older people every year. You can read more about how we work together on page 12.

## Why we support the Age UK network

Our local partners are at the heart of their communities. They are our delivery partners for all our wellbeing programmes, a vital provider of community services that meet local needs, and a voice for older people, helping them to campaign for change locally and nationally. This makes our network of local and national partners very precious to older people and to us. That's why we're so committed to helping them to be the best they can be at a time when many, like other local charities, are finding that surviving is exceptionally hard.

## The situation for older people today

### 'Local' matters more

As people age, what's local becomes ever more important – accessible health and care services, transport to get from A to B, social and cultural activities, and much more. For older people who have disabilities or struggle to get around, or aren't online, what's available nearby is even more valuable.

### Many local public services are at risk or are already gone

The crisis in social care is the single biggest issue for older people but cuts to other vital services are adding to the problem. The closure of libraries, community centres and other much loved community facilities is denying older people a vital 'safety net', leaving people cut off from sources of companionship and support.

### Local charities are buckling

Cuts to local authority social care budgets also mean cuts to local charities. Demand for the services provided by the Age UK network is rising because compared to the situation a generation ago, older people have fewer of their care and support needs being met by the State.

## How we help

**Professional and practical support:** We work in partnership with the Age UK network to ensure the effectiveness and quality of their organisations including help with governance, financial management, marketing, website development

and human resources. Age UK offers support when our local or national partners are facing problems, uncertainty and change. We also support them with mergers, collaborations and closures and help them to successfully achieve the Age UK quality standards.

**Funding and income generation:** We help the Age UK network to raise money, providing tendering advice and bid-management support, and fundraise to develop Age UK programmes which we support our local partners to deliver. We provide unrestricted funding to support their organisations and meet local needs through an annual Partner Payment.

**Supporting and funding charitable activity:** Most of Age UK's charitable work is delivered in partnership with the Age UK network. We work together to campaign, provide information and advice, design and transform local services, and deliver wellbeing programmes. Read more on pages 24 to 47.

## What went well

### Supporting income generation

By supporting 16 local Age UKs with tender bids to commissioning bodies, we helped secure £4.3 million in funding, maintaining a one in two win-rate. We also supported 27 local Age UKs through our tender training workshops.

### Improving financial governance and management

We have a long-standing Financial Governance and Management programme which has successfully helped many local partners to be efficient and

effective. This year, we focused on the partners that we assessed as facing the highest levels of risk to their financial sustainability, and offered in-depth one-to-one support to the Trustees and senior managers of 34 local Age UKs. We continued our wider programme too, helping 95 local Age UKs in total through direct support, training and workshops.

### Improving quality and effectiveness

In 2017 we launched the Age UK Quality Standards, the successor to our shared quality framework. The whole Age UK network, including Age UK, will be assessed against them by April 2020. The Standards are in two parts. The first, the Charity Quality Standard, focuses on what you'd expect to see in any well-run charity, such as legal compliance and effective risk management. This year, 86 local and national partners were externally assessed and accredited against the Charity Quality Standard, taking the total to 110. The second part, the Good Age UK Standard, identifies and shares what's special and unique to the Age UK network and changes each year. In 2018/19, the Good Age UK Standard focused on 'respecting and valuing older people' and in 2019/20, will look at 'building valued relationships'.



### In 2018/19 we...

**Secured £4.3 million in funding** by supporting local Age UKs to win tender bids.

**Gave financial governance and management support** to 95 local Age UKs.

**Supported 86 local and national partners to be externally assessed** and accredited against the Age UK Charity Quality Standard.



### In 2018/19, the Age UK network received £13.6 million in funding from Age UK.

This includes a payment made to every member of the Age UK network (called the Partner Payment to local Age UKs in England, with separate payments made to our national partners), grants to specific partners to fund programmes, service improvements and organisational support, and commission earned by Trading Alliance Members (TAMs) that offer Age Co financial services and independent living solutions for sale. See page 67 about the future of the TAM network. The £12.8 million we spent in 'We support the network' includes £6.3 million in payments and grant funding, £4.6 million in TAM commission, plus the cost of support provided by Age UK teams for the activity in this area. Grant funding for information and advice, health and care services and wellbeing programmes is included in the total cost of each area and is detailed on page 101, note 3 to the accounts.



**Together with the Age England Association, the membership association for the Age UK network, we launched 'The Big Conversation' in January 2019 to develop a shared vision and strategy for the whole network for the next decade.** We're working together as a network to define our common purpose, ambitions for older people and strategies for the network to increase impact and sustainability. So far we've held nine events, attended by 331 senior staff and Trustees from 127 local Age UKs and national partners.

## Where we've improved in 2018/19

### Supporting strategic change in the Age UK network

In last year's report we said we wanted to support the sustainability of the Age UK network and that this would require strategic change. We've been working with clusters of local Age UKs, involving over 30 charities, to explore different ways and degrees of collaboration, from running joint services to mergers and shared administration. This work is helping those involved to reimagine their existing services, systems and operating processes and redesign them to achieve impact in an efficient and effective way. It will continue in 2019/20.

## Where we can get better

### Supporting the Age UK network to involve older people

This year, the Good Age UK standard looked at how the Age UK network respects and values older people. There were two particularly strong learning points. Local Age UKs told us that they're good at engaging older people in shaping their services but want to do more to engage older people in shaping their strategies. They also told us that they're good at listening to older people and understanding what's important to them but would like to provide a more 'joined up' experience for people who use their services. We'll be working to support the Age UK network to achieve these goals and share best practice across the network to drive improvement.

## Our plans for 2019/20

**We'll involve leaders of local Age UKs in continuous professional development** and plan together for the long term.

**We'll help local Age UKs to rethink their financial models** and explore diversity of income and sustainable funding options.

**We'll facilitate collaboration between local partners** to improve infrastructure and back office support.

**We'll support excellent local volunteer management** through training and peer support.



# We work internationally

We spent **£13 million**

**Our three-year objective:** We'll achieve a step change in the quality and scale of our humanitarian work and we'll influence other agencies to ensure that older people are included and protected when emergencies happen.



**'I'm really impressed! Older people in the village are getting a huge amount of support, no one seems lonely and they get on well. This is exactly what charities should do. They should organise things to help people to help themselves.'**

Actress Miriam Margolyes visiting our Strengthening Ageing Networks in Asia programme

## Why we carry out international work

The world's population is growing older. There will soon be more older people than younger people on the planet. The scale of this change is unprecedented and governments around the world are failing to respond to the challenges and opportunities it brings. Fundamental change is needed, especially in areas such as health care and social protection, but few governments and institutions seem to understand the effects of ageing on older people themselves, or the wider ramifications on economies, labour markets, migration, social welfare or healthcare. And in emergencies, including natural disasters and the impact of war, the needs of older people are too often ignored.

Age International, Age UK's international charity, focuses on the needs and rights of older people in some of the world's poorest countries. We believe it's important that older people around the world aren't left behind.

## The situation for older people today

### The world's population is growing fast, and ageing fast

The number of people in the world has more than doubled to 7.6 billion since 1970, and is set to reach 11 billion later this century. Less well known is the fact that the world is also ageing. By 2050, one in five of the world's population will be over the age of 60.<sup>32</sup>

### Millions are struggling to survive on low incomes with no pension

In high income countries, access to a pension is a lifeline that most can rely upon; yet three out of four people in the world live without any form of pension. Millions of older people in lower income countries struggle to live on less than 60p per day – with no pension, no healthcare, and little support from family.

### Chronic illnesses is a growing problem

Long-term chronic conditions are a growing problem in lower and middle-income countries, with non-communicable diseases (NCDs) like heart disease, diabetes, stroke and dementia accounting for nearly 90 per cent of the global disease burden for those over the age of 60.

### Older people are often left behind in emergencies

It's estimated that over 25 million older people are affected by natural disasters every year and millions more get caught up in conflicts. Older people are particularly vulnerable, and are susceptible to being 'left behind' by aid efforts – all too often they aren't counted as 'affected people' and their specific needs aren't met, such as food, walking aids or even glasses that may have been destroyed.

### The situation is often worse for older women

Poverty, public health issues and human rights often drive older women to do paid and unpaid work that negatively affects their wellbeing, while their families, communities and economies depend heavily on the work they do. Inequalities that women face in society can continue into older age and be aggravated by age discrimination – making their lives worse.

**In low and middle-income countries** one in seven older women are in the workforce.

**What's changed:** This year we've worked with the Overseas Development Institute to produce [research looking into this issue](#). The work highlighted the fact that older women's work is often unpaid and undesirable, and because it is unpaid, is not counted in economic and labour data and therefore 'invisible'. The research found that in low and middle-income countries, older women do more than twice the amount of unpaid care than older men do, providing an average of 4.3 hours of unpaid domestic or care work a day.

## How we help

We help older people in over 30 low and middle-income countries to improve wellbeing, escape poverty, receive the right kind of healthcare, survive emergencies, and have their contributions to families and communities recognised and valued. Age International is the UK member of the HelpAge global network, through which it delivers most of its work overseas. It is also a member of the DEC (Disasters Emergency Committee), which brings together 14 leading UK aid agencies to raise money at times of humanitarian crisis in poorer countries. Age International is the only DEC agency that specialises in helping older people.

**Long-term development programmes:** We fund long-term development programmes aimed at supporting older people to work together to have better incomes, improved access to health and care services and a stronger voice in local decision making. Our delivery partner is HelpAge International who work tirelessly on the ground delivering programmes to those in most need.

**Responding to emergencies:** When emergency strikes, we are there to stand up for older people. We target the most vulnerable older people with accessible aid and train and advise other agencies and organisations to help make their aid more accessible to older people and people with disabilities. Accessible aid means that older people are prioritised in aid queues and have a place to sit and food packs are easy to open and carry.

**Influencing and advocating:** We fight for people who have been marginalised because of their age. We are campaigning for a UN Convention on the rights of older people, economic empowerment for older women, and UN Sustainable Development Goals that really 'leave no one behind'. We support older people to speak out on the issues that matter to them and support and fund Older People's Associations that bring together communities of older people to present their issues to local and national decision-makers.



### In 2018/19...

**1 million older people in eight countries** received a social pension for the first time, thanks to the work of Age International and its partner HelpAge.

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**900,000 older people** were newly able to access existing health and care services.

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**45,000 older women and men in 11 countries** were given **humanitarian aid** (water, food, shelter, healthcare and emotional support) during emergencies.

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**15,000 older people's associations** in 18 countries helped provide social pensions, health services and other entitlements.



**Ines lives in Beira, Mozambique, one of the cities worst hit by Cyclone Idai.** The effects of the storm are devastating and outbreaks of cholera are further complicating conditions. Cholera is particularly dangerous for older people who are more likely to die from waterborne diseases. In Mozambique, we have set up water purification stations in nine health centres, helping produce over 12,000 litres of clean water per day so people like Ines get the clean water they so vitally need.

## What went well

### Responding to emergencies

This year we responded to new humanitarian crises in Indonesia (Sulawesi Tsunami), the protracted Rohingya crisis in Bangladesh and Cyclone Idai which devastated large parts of Mozambique, Zimbabwe and Malawi. We continued to work in countries with ongoing crises including Ukraine, Syria, Yemen and drought stricken areas of East Africa. Our emergency funds also supported ‘rapid needs assessments’ to find out what support older people need. We worked in the Philippines following September 2018’s devastating Tropical cyclone Mangkhut to ensure that older people could receive vital aid. In total we were supported over 44,000 older people who have been affected by humanitarian crises.

### Strengthening Ageing Networks

One of our flagship programmes is Strengthening Ageing Networks in Asia, a regional programme across five Asian countries: Bangladesh, Cambodia, Indonesia, the Philippines and Vietnam. The programme promotes the wellbeing and resilience of older people and their communities by developing networks of intergenerational community-led groups across Asia. It is also working to improve national social pension policies and practices to increase income security for older people.

### **Improving diabetes care in Central Asia**

Diabetes is a growing threat to the population of Kyrgyzstan, with 41 per cent of cases going undiagnosed due to poor screening and a lack of awareness.

Working with the World Diabetes Foundation, Age International launched an innovative new health programme to tackle ‘diabetic foot’, a complication of diabetes that can lead to foot amputations and permanent physical disability. Age International is supporting the training of podiatrists in Kyrgyzstan, where there are no specialist podiatrists, so they can work in fully equipped ‘podiatry rooms’ (within the equivalent of GP surgeries) offering patients check-ups and early treatment.

Age International has funded new multidisciplinary medical teams in Kyrgyzstan – made up of podiatrists, surgeons, orthopaedists, and endocrinologists –

to provide more holistic, joined-up care for people living with diabetes. We have launched and supported diabetes support groups where members can find support and advice about their condition.

### **Calling for a UN Convention on the rights of older people**

Age International continued to campaign for a UN Convention on the rights of older people. In the UK, Age International organised a second cross-government meeting to contribute to the UK government’s thinking in this area. Further afield, Age International is the Co-Chair of the Global Alliance for the Rights of Older People, an alliance of 226 members which seeks to strengthen the calls on the UN Open-Ended Working Group on Ageing for a Convention.

Mrs Van, aged 69 is a member of her village’s Healthy Ageing club in Vietnam. The club gave Mrs Van a loan to start a rabbit and snail farming business to help feed her family and give them an income.

**‘I’m very grateful to my club because they gave me the loan so I could purchase the rabbits and the snails and increase my family’s income. The idea came from me but I received support from the club. The snails are very helpful to me, not only are they food for my family, but they also increase our income. Since the club was established I feel happier and healthier.’**



## Where we've improved in 2018/19

### Reviewing our approach to safeguarding

We place the highest importance on the protection and safeguarding of the older people we work for, our staff and partners who work with us to implement our programmes. In 2018/19, we introduced a number of initiatives to further strengthen our safeguarding, including commissioning an internal audit of our safeguarding action plan and processes and creating a safeguarding working group. Age International is committed to adhering to the Core Humanitarian Standard, a voluntary standard which has nine commitments to form a framework of quality and accountability good practice within the humanitarian sector. In 2019 Age International began a self-assessment of our compliance with the Standards and in 2019/20 we'll seek external verification of our adherence to the Standards.

## Where we can get better

### Using our learning to improve

We want to get better at reflecting on and learning from our work so that we can improve the quality of what we do and the programmes that we fund. One example of how we will improve this in future is to streamline our processes to ensure that funds and aid get to beneficiaries quicker.

### Improving our understanding of gender issues

We want to strengthen our understanding of gender, and integrate this understanding throughout our work. Internally, Age International is establishing a Gender Working Group, to help mainstream gender into the programmes we support, and influence our policy, communications and fundraising work, as well as our organisational culture.

## Our plans for 2019/20

**We'll introduce a new humanitarian approach**, with a focus on rapid needs assessment, inclusion and protection of older people informing all programme planning, funding and communications.

**We'll invest time and focus in deepening the programme development and funding support we offer** to the regions of our partner organisation, HelpAge.

**We'll continue to advance the case and support for a UN Convention**, placing special emphasis on the need for universal health coverage.

**We'll implement a new annual safeguarding action plan** and secure external verification of our Core Humanitarian Standards.

**We'll contribute to the development of the 2030 strategy** of our partner charity, HelpAge International.

# Our people and our organisation

People are at the heart of our work. We employ over 1,800 colleagues and are supported by over 7,000 volunteers. We want people's experience of Age UK to be a great one – whether they work for us, volunteer with us, support us, or come to us for help and support.

It's essential that we spend the money our donors entrust to us wisely and among other things that means ensuring we are efficient and effective in all we do. It's important that we have the right support in place for staff and volunteers to enable them to do their work well, so they can focus on making the greatest difference to older people's lives, no matter their specific role.



## Being a great place to work

In November 2018 we were delighted to be awarded an Investors in People silver award, only just missing out on attaining gold. The assessors found that there was clear evidence of a positive culture at Age UK, backed up by robust policies and procedures. We went above and beyond in two areas and achieved gold level in living our values, and delivering sustainable success. This was reinforced in early 2019, when recruitment company Reed ranked Age UK in the top ten not-for-profit workplaces in the UK.

**'...there is no doubt that people think Age UK is a great place to work and that they don't want to work anywhere else. The number of long serving staff and those who have had opportunities to develop within the organisation are strong evidence of this.'**

Investors in People

## Our new values

This year, Age UK staff, volunteers, Trustees and older people contributed to the development of Age UK's new values. We wanted a set of values that would represent both how we treat each other as colleagues and how we put older people at the heart of everything we do. Our new values are ambitious and will challenge us to act and think differently, working hand-in-hand with our new strategy (see pages 20 to 22).

## Being inclusive and valuing diversity

In the same way that we champion equality and fairness for older people, we are committed to being an inclusive employer and valuing the diversity of our people. This year, our Diversity and Inclusion Steering Group, led by our Director Diversity Champions, have agreed a three-year strategy focused on: improving the diversity of our workforce; embedding equality, diversity and inclusion into our culture and behaviours; and ensuring that our policies, processes and systems support this.

Like many other charities, we know we need to improve the diversity of our workforce. While we are proud of our age profile – with approximately 50 per cent of our staff aged 50 and over – we are very clear that we need to improve the representation of staff from diverse backgrounds, particularly in relation to ethnicity and disability. We have introduced mandatory training on equality, diversity and inclusion for all line managers, as well as a session on recruitment that focuses on helping managers to be aware of and respond to unconscious bias.

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We've continued to support our staff diversity groups, including younger workers, carers, LGBT+ staff and those with a disability or long-term health condition, and run engagement activities for Inter-Faith Week (November 2018), Deaf Awareness Week (May 2019) and Carers' Week (June 2019). Age UK has signed up to the Government's Disability Confident scheme (Level 1 – Committed) which helps employers make the most of the talents disabled people can bring to the workplace.

### **Eliminating the gender pay gap**

In April 2019, we published our annual gender pay report. It showed that Age UK, the charity, had a median pay gap of 16 per cent (17 per cent in 2018), and Age UK Trading CIC, a trading subsidiary of Age UK, had a gap of 4 per cent (9 per cent in 2018). We are pleased to see the gap narrowing and our data indicates that this is largely due to appointing more female colleagues into higher quartile roles.

We will continue to work on closing the gap. We are aiming to introduce a new pay and grading structure that will make the way we evaluate roles simpler and more transparent. Our three-year equality, diversity and inclusion strategy (described above) will see improved access to career development and progression opportunities for women. This will be driven by a better understanding of the barriers women face through new equality impact assessments, and addressed by tailored support through a new career development programme that will launch in 2019/20.



**Our week-long programme of activities held to celebrate International Women's Day (8 March), included a series of informal 'Career Conversations' for women staff and volunteers.**

## Looking after our wellbeing

We know that when our employees feel healthy, included and motivated they deliver the very best for older people. This year we've developed a new wellbeing strategy, which will launch in 2019/20. It takes a holistic approach to wellbeing focusing on five key areas – physical, mental, financial, social responsibility and being connected. One of the things we've focused on this year is tackling some of the challenges colleagues face with their mental health. We've signed up to the Time to Change initiative, and have pledged to change how we think and act on mental health at work and make sure that colleagues who face these problems feel supported. We already have a very active network of mental health first aiders at our London and Ashburton offices and plan to extend this to our shop network in 2019/20.

## Improving IT and data security

This year we moved to a new IT services provider, NIIT, and began transferring our core technology services to the cloud to benefit from the performance, security, and flexibility this will offer, both now and in the future. As with any big change, there have been a number of challenges we are working with NIIT to resolve, particularly with the speed and stability of some of our systems. We have been working hard to improve our data security. Alongside technology enhancements, we have this year introduced a programme of testing colleagues' responses to simulated phishing emails, and providing tips to help them spot and prevent being phished. Finally, we are looking at our CRM (Customer Relationship Management) system, which underpins our relationships with our supporters, customers and advice line callers, among many others, to ensure it enables us to deepen our relationships with our charity audiences.



## Employment policy and pay

Recruiting, retaining and motivating employees are critical to Age UK's sustainability and success. Age UK's remuneration policy recognises the differences between our charitable and trading activity and we compare the salaries we offer against charitable and commercial sectors as appropriate. We have an annual review process which is overseen by our Remuneration Committee (see page 78). Pay awards are overseen and paid in accordance with the framework set by the Remuneration Committee within the budget agreed by the Board for the overall increase in our salary costs. The salaries of our key management personnel, Age UK's Executive Directors, reflect the market in which individual Directors operate and are set using benchmarking data, as we do with other colleagues. Salaries are apportioned to reflect the amount of time the relevant Director spends in supporting charitable or trading activities. The Remuneration Committee considers the outcomes of each Director's performance review (see page 78).

## Valuing our volunteers

Age UK relies on the support of over 7,000 volunteers. The majority of Age UK's volunteers support our charity shops, but we also offer a wide range of volunteering opportunities, including supporting our Advice Line, Call in Time telephone friendship service, and volunteering in our main offices.

This year we launched a new volunteering strategy for our shop volunteers which focuses on five areas – being a great place to volunteer, keeping safe and well, diversity and inclusion, being a smarter organisation, and culture and engagement. In 2018/19, we focused on being a great place to volunteer and on keeping volunteers safe and well. We've established a new volunteer steering group and a volunteer newsletter, and for the first time we're recruiting volunteers through online recruitment channels, with great success.

## Safeguarding

It's important for us to provide both a safe working environment for our colleagues and volunteers, and to make sure they have the right skills and support to ensure the safety and wellbeing of everyone with whom they come into contact. We have long taken the view that our safeguarding responsibilities apply to our staff and volunteers as well as to the public.

Our safeguarding policy is owned and agreed by our Board of Trustees and states that; 'Safeguarding is a fundamental part of Age UK's work'. Our safeguarding training programme includes an e-learning module, and managers attend a face-to-face course. We audit our safeguarding work and seek continuous development of our safeguarding approaches. Age UK engages directly with older people on safeguarding issues and our safeguarding policy position was discussed with, and agreed by, our Policy Sounding Board.



**Age International has been reviewing its safeguarding practice and has established a Safeguarding Working Group to improve it further.** The Age International Board receives a progress report each quarter. The charity is also participating in an assessment commissioned by DFID about its enhanced safeguarding standards. Read more on page 57.

# Fundraising income

Our wonderful supporters helped raise over £60.8 million this year. It's thanks to their generosity that Age UK can be here for so many older people when they need us most.

## Ensuring positive fundraising

Age UK is regulated by the Fundraising Regulator and therefore complies with the Code of Fundraising Practice and the Fundraising Promise. Our aim is to ensure that our fundraising activity is a positive experience and that donors and the public are treated with respect, fairness, honesty, and clarity at all times. Age UK is a member of the Institute of Fundraising and we collaborate with them to help improve fundraising practices across the sector. We're committed to keeping our fundraising practices under review and working with others with the aim of improving practice across the charity sector.

## Fundraising through third parties

We want to ensure that all of our fundraisers, and agents representing Age UK, strive to reach the highest standards, don't exert pressure on donors and ensure that the wishes and welfare of our donors are at the heart of every interaction. Age UK follows the Fundraising Regulator's Code of Practice requirements in respect of third parties. It's vital that our supporters have a great experience and are treated fairly so we monitor and control our fundraising by third parties. For example, we listen to recorded telephone calls and mystery shop to check performance. We also regularly visit our third parties to ensure they meet all the requirements of the Fundraising Regulator's Code of Practice.

## Protecting the privacy and data of our supporters

The General Data Protection Regulations (GDPR) came into force in 2018. In preparation, we updated our data permission statement to give extra clarity around the control our supporters have in receiving future communications from us and how we would use their details. We reviewed all our processes to ensure any communication preferences made by our supporters continued throughout their supporter journey with us and our supporters were reminded that they could easily and simply change their mind at any time.

## Addressing people's concerns

We take all complaints very seriously, respond to each one and hold a monthly complaints review to ensure that we're continuously improving. This year we received 263 negative comments or complaints about fundraising (2018: 873). This year we've improved our reporting and adopted a more rigorous methodology to count complaints. For example, we've removed duplicates and separated complaints from requests for information, which made up a majority of last year's number. We count any comments that are negative, even if they are small such as one-off administrative issues, like having difficulty registering online for one of our events.



## Protecting vulnerable people

The demographics and circumstances of many of our donors overlap with those of our beneficiaries. We follow the Institute of Fundraising's 'Treating donors fairly' guidance and all our fundraisers must follow our policy on fundraising with people in vulnerable circumstances.

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## Fundraising for the future

It's vital that Age UK and the Age UK network continue to be here for older people, especially those who need us the most. This will only be possible thanks to the continued generous support of the tens of thousands of individuals and organisations who want to help. As part of our new charity strategy we've recognised the need for us to be bold about asking for support. We believe we have to invest in our fundraising if we are to achieve our objective to support more of the older people who need us the most.

## Income sources

### Donations and gifts

Donations from the public are vital. This year our net income from donations and gifts was £9 million (2018: £11.4 million). The decrease in income on the previous year is largely due to a reduction in income from DEC appeals (Disasters Emergency Committee), following the conclusion of the East Africa appeal which launched in 2017/18, and a retrospective Gift Aid claim which was received in 2017/18. However, donations and gifts remain our second biggest source of net income (after legacies), and are an area which we hope to see grow over the coming years.



### If you'd like to help older people by donating or fundraising for Age UK

please contact our Supporter care team on our free phone number – **0800 169 8787** or at **fundraise@ageuk.org.uk**

**All income numbers are net of costs unless otherwise indicated.** Please see the table on page 69 for the calculations.



Some inspirational individuals have raised money for Age UK this year, including John Farmer who turned 70 and decided to walk 70 miles in aid of Age UK. By the time John reached the end of his walk, Derby County Football Club's home ground Pride Park, he'd raised £1,525.

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*'It was an opportunity to do something challenging, and do it in memory of my mum and my mum-in-law, who struggled in later life.'*

## Legacies

This year our net income from legacies totalled over £21.8 million (2018: £27.5 million). Income from legacies is our single biggest source of fundraising income. We simply could not continue to help older people who need us, locally, nationally and internationally, without people leaving generous gifts to Age UK in their wills.

We would like to thank these compassionate individuals and their families for their foresight and altruism.

## Grants, corporate partnerships and trusts

This year our net income from grants, partnerships and trusts was £9.4 million (2018: £11.7 million). Grants from organisations such as the Big Lottery Fund, Sport England, The Masonic Charitable Foundation, the Aged Veterans Fund (funded by the Chancellor using LIBOR funds) and City Bridge Trust helped fund programmes delivered by the Age UK network, supporting tens of thousands of the most vulnerable older people from veterans to the most isolated and lonely and those affected by scams and fraud.

Our corporate partners come from a range of sectors and their staff raised millions of pounds as well as donated hundreds of bags of items for our shops, shared their skills, and gave thousands of hours of volunteering to Age UK and local Age UKs.

We were again grateful to energy companies E.ON and First Utility for working with us through their Warm Home Discount obligation to help fund our national winter warmth programmes. This enabled us to keep thousands of older people warm and well during the colder months by giving advice, installing energy efficiency measures and identifying millions in unclaimed benefits (for more information on our winter warmth programmes, see page 45).

We were delighted when staff at investment bank Credit Suisse voted for Age UK as their UK Charity of the Year for 2018. They took older people to their hearts and organised parties, afternoon teas and computer training for older people. Staff signed up as befrienders for our Call in Time telephone friendship service. They raised over £600,000 doing everything from holding quizzes, cakes sales and dress-down days to taking on epic rowing, cycling, driving and running challenges. We also helped Credit Suisse staff look after their own older relatives with training and advice sessions.



‘Mum was 96 years old when she passed and was the last in her generation, she had seen her siblings lose their partners and the loneliness old age brought. Although Mum was surrounded by a loving family, she missed her own generation and the familiarity of reminiscing with them was something she often spoke about.

We hope that Age UK can do more work to ease the social isolation for our older generation. Mum would have been pleased to know that her legacy will be put to good use.

**Many thanks for the work you do.’**

2018 was the 15th year of The Big Knit, our partnership with innocent, which saw thousands of people knit tiny hats to go on innocent's smoothie bottles, with a 25p donation for every bottle sold. Knitting groups and individual knitters across the UK helped us reach our target of 1.6 million hats, raising hundreds of thousands of pounds for the Age UK and the Age UK network. As well as helping us fundraise, knitting has been shown to reduce depression and anxiety, slow the onset of dementia and distract from chronic pain.

## Lottery and raffle

This year our net income from lotteries and raffles was £4.7 million (2018: £3.5 million) The Age UK weekly lottery is the joint largest charity-run lottery in the UK. This year, it started running under three lottery licences (replacing one previously) each managed by its own Lottery Community Interest Company, to provide funding for information and advice, local programmes, and education and research. It ran a successful TV campaign, encouraging more players to sign up, and will invest more in marketing in 2019/20 to take advantage of the new licences. We also run three raffles a year.



**'I was fortunate to be matched with an amazing lady and while it is hugely rewarding to take time to give back, quite simply I look forward to our calls just as much as she does.'**

Nicki Shuttlewood, Credit Suisse Call in Time befriender.

Our annual Christmas concert, Love Christmas, welcomed over 2,000 guests to St Paul's cathedral and was supported by celebrities including Len Goodman, Penny Smith and Laura Wright.



# Trading income

Age UK Trading CIC runs over 400 charity shops and its FCA-regulated subsidiary Age UK Enterprises offers financial services designed for older customers. It gives all its profits to Age UK to fund our charitable work.

## Charity shops

This year our net income from charity shops was £0.7 million (2018: £0.9 million). We have continued to invest in our network of over 400 charity shops. We refreshed 73 shops, opened three new shops, and relocated one shop. Since the investment programme began in 2016/17 we have refurbished 48 per cent of our network, which is now delivering profit growth of 8 per cent. We continue to innovate, with a further four superstores and donation centres opening this year, which are increasing the number of donations while reducing the cost of distribution. We opened our first fashion only, boutique style shop in Finchley, and both this and the superstore concept are attracting new types of shopper and performing well.

## Financial services and independent living solutions

This year net income from financial services and independent living solutions was £3.7 million (2018: £7.3 million). Age UK Enterprises has continued to review their financial services and independent living solutions against the Trading Principles as a precondition of their move to the Age Co brand.

## Age Co's Trading Principles

- **Age Co will offer products and services which are good for older people:** We ensure our products genuinely have features and benefits (including the service surrounding their purchase and/or use) which we can evidence make them especially suitable for our customers, measured against our own knowledge of the needs of older people, not just benchmarked against standards in the relevant market sector.
- **Age Co's prices will be fair and appropriate:** Age Co's prices will be fair – we will offer good value for money. Age Co's prices will be appropriate – we will ensure our offering includes price points which are appropriate to people on low or moderate incomes.
- **The profit returned by Age Co to the charity will be reasonable and acceptable:** Just because the charity uses the income from Age Co's activities for a good cause this does not justify 'excessive profits', especially when our customers are the charity's beneficiaries.

## Age Co brand launch and product transfer

The Age Co brand was designed to make it clearer to customers that when they buy an Age Co-branded product or service it is a commercial transaction, that the price is not subsidised by the charity, and that profits are donated to Age UK to fund its charitable work. The brand launched in April 2018 with a small number of products and a new website [www.ageco.co.uk](http://www.ageco.co.uk). Most of the remaining products and services transferred over to the Age Co brand throughout 2018, with each having been assessed against the Age Co Trading Principles before doing so. The roll-out will be completed in 2019/20. The Age Co website and all customer-facing materials also make it clear to customers that the product or services purchased by customers are not provided by Age Co itself, but by carefully selected third-party providers.

## New insurance contract in place

The Age UK Enterprises Board took the decision in 2017 to renegotiate its contract with Ageas Insurance for the provision of home, travel, motor and breakdown insurance. It took this decision to ensure that all insurance customers, especially long-standing customers, continued to receive a good price, as embodied in the Age Co Trading Principles. The contract came into effect on 1 April 2018. The resultant reduction in commission led to significant restructuring in Age UK Enterprises and its alliance of national and local partners that trade, called Trading Alliance Members (TAMs). See 'Closure of the TAM network' for developments in 2019/20.

Age UK Enterprises' contract renegotiation preceded increased scrutiny over the general insurance sector's pricing practices, particularly renewals of contracts. The Financial Conduct Authority (FCA) is undertaking a market study into pricing practices and the Competition and Markets Authority (CMA) is investigating a super-complaint by Citizens Advice about excessive prices for 'disengaged customers'. Age UK Enterprises is watching the developments with interest and is continuing to ensure fair and appropriate pricing for the insurance products sold by its commercial partner under the Age Co brand. Age UK's November 2018 'Consumer vulnerability' policy position and proposals, which include recommendations for providers, is supporting Age UK's influencing work in this area.

## Developments in 2019/20

### Travel insurance

From 1 September 2019 Age UK Enterprises stopped offering travel insurance which had been provided by Ageas Insurance. Ageas decided to withdraw the product for commercial reasons. Age UK Enterprises is exploring the market to find a future travel insurance provider as it continues to be an area where older people, particularly those with multiple health conditions, have limited choice and/or may not be well served by the market.

### Closure of the TAM network in 2020

In September 2019, the Age UK Enterprises Board took the difficult decision to close the Trading Alliance, effective from 31 January 2020. This was largely due to the significant cost to Age UK Enterprises of running a large and predominantly face-to-face FCA-regulated network, especially in a competitive market where older consumers are increasingly purchasing online. The closure of the remaining Trading Alliance Members (TAMs), which reduced to 29 following significant restructuring in early 2018, will enable the more efficient redistribution of profit earned by Age UK Enterprises to former TAMs from sales under the Age Co brand. Age UK Enterprises and Age UK remain committed to producing income from Age Co to provide vital unrestricted income to local charities and Age UK Enterprises plans to focus on a core product suite and online sales to drive this growth. Age UK is establishing a grant programme to mitigate the loss of income to TAM-owning charities to support the continuation of their charitable services for older people.

**All income numbers are net of costs unless otherwise indicated.** Please see the table on page 69 for the calculations.

# Financial review

Age UK's income available for charitable activities (net income) reduced to £56.2 million (2018: £67.6 million). This was expected and, as set out in our 2017/18 Annual Report, was affected by Age UK Enterprises' decision to renegotiate its contract with Ageas Insurance and the resulting reduction in commission for itself and members of its trading alliance.

Expected cyclical changes to fundraising income have also affected this year's result, against a particularly strong performance last year. Age UK's charitable expenditure decreased to £57.4 million (2018: £69.2 million), part of which was a reduction of payments to Trading Alliance Members.

We have again worked to improve the allocation of support costs to ensure they are fair, consistent and reasonable. This year's fundraising expenditure includes a higher allocation for the CRM system to reflect increased impairment charges in the year.



**Throughout the Strategic Report and in this Financial Review the charity's income is mostly expressed in net terms rather than gross.** Age UK's accounts are consolidated, which means they include the income (and costs) of its charitable and trading subsidiaries. Age UK's trading subsidiaries, Age UK Trading CIC and Age UK Enterprises, generate significant income, but the cost of doing so is considerable. Their respective costs include the rent, electricity and maintenance of over 400 charity shops and the marketing of financial services, independent living solutions and other commercial products and services. When considered in gross terms, this can make it appear that the charity has far more available to spend on charitable activities than it does. Age UK's trading subsidiaries gift the charity their profits (when those subsidiaries are sufficiently profitable to do so), so it is these net figures that the charity has available to spend on charitable activities. This means that in 2018/19 78 per cent (£56.2 million) of the charity's income was available to spend on charitable activity and it spent 102 per cent (£57.4 million) of this amount.

Statement of Financial Activities Summary and net calculations	Income £'000	Expenditure £'000	2019 £'000 Net	2018 £'000 Restated Net
Donations and gifts	12,358	(3,376)	8,982	11,355
Legacies	25,615	(3,788)	21,827	27,454
Grants, corporate and trusts	11,517	(2,121)	9,396	11,724
Lotteries and raffles	11,317	(6,639)	4,678	3,455
<b>Total fundraising</b>	<b>60,807</b>	<b>(15,924)</b>	<b>44,883</b>	<b>53,988</b>
<b>Income from charitable activities</b>	4,232	-	4,232	1,838
<b>Trading (net)*</b>	5,695	-	5,695	9,939
<b>Investments</b>	1,398	-	1,398	1,520
<b>Net gain / loss fixed assets</b>	(50)	-	(50)	349
<b>Available for charitable expenditure</b>	<b>72,082</b>	<b>(15,924)</b>	<b>56,158</b>	<b>67,634</b>
<b>Charitable expenditure</b>			<b>57,426</b>	<b>69,179</b>
<b>*Trading analysis</b>				
<b>Trading activity</b>	<b>61,403</b>	<b>(55,707)</b>	<b>5,695</b>	<b>9,939</b>
<b>Charitable activity analysis</b>				
% of income available for charitable expenditure			78%	82%
% of income spent on charitable activity			102%	102%
% of fundraising income spent on charitable activity			74%	78%

## Fundraising

- Net income from fundraising fell to £44.9 million (2018: £54 million), 80 per cent of the total net resources made available for charitable activities in the period. The decline on last year was due to cyclical changes to funding programmes, with our Santander and Prudential information and advice programmes coming to an end and in comparison to 2017/18 when we received two major legacy bequests and supported the East Africa DEC appeal. Costs, excluding lottery, increased to £9.3 million (2018: £7.7 million) which includes a higher allocation for the CRM system.
- Age UK's weekly lottery saw its gross income increase to £11.3 million (2018: £10.5 million) due to an increase in player numbers. Costs fell marginally to £6.6 million (2018: £7.0 million).

**Review:** Fundraising performance was broadly on target and, as we set out on page 63, we are developing an ambitious fundraising strategy to achieve sustainable growth. The number of Age UK Lottery players continued to increase following a positive response to our TV campaign. Age UK now shares the number one spot in the ranking by size of society lotteries in the UK. We'll continue to grow lottery income using our three new licences.

## Trading

As expected, and set out in last year's Annual Report, challenges in trading continued with a fall in net income to £5.7 million (2018: £9.9 million), 10.1 per cent of net income.

- Age UK Trading CIC's 400 plus charity shops continue to be refurbished as part of our shop investment programme, which is also seeing shop openings and the closure of poorly performing shops. Net income fell to £0.7 million (2018: £0.9 million) and continues to be low due to the investment costs, fluctuating shop numbers and lower sales of bought in goods. Costs fell to £40.8 million (2018: £41.8 million) mainly due to a year on year net decrease in dilapidation charges of £0.6 million.
- The income reduction was largely due to the renegotiation by Age UK Enterprises of its contract with Ageas Insurance (see page 67). The new contract, which came into effect on 1 April 2018, resulted in a significant reduction in commission to Age UK Enterprises, and therefore to Age UK and local Age UKs that trade as Trading Alliance Members (TAM). This has been compounded by challenging trading conditions with Age Co insurance renewal rates and funeral plan sale volumes under significant pressure. Costs fell to £12.6 million (2018: £19.7 million) due to restructuring following the contract change and reduced marketing spend.
- Net income from offering physical products that support independent living, as part of our Independent Living Solutions portfolio, remained static at £0.3 million (2018: £0.3 million). Costs fell marginally to £2.3 million (2018: £2.5 million).

**Review:** Trading performance was largely as expected, with the Ageas contract renegotiation significantly affecting income. Age UK Enterprises focused this year on transferring products and services to the new Age Co brand, with compliance with the Age Co Trading Principles a prerequisite for this transfer, and managing the consequences of the insurance contract renegotiation against the backdrop of a price-driven insurance and funeral-plan market. Next year, Age UK Enterprises will continue to market the Age Co brand and work with its commercial partners to respond to market challenges. Age UK Trading CIC's successful shop investment programme will continue. Please see more information about developments in 2019/20 on page 67.

## Income from charitable activities

£2.4 million of funding from E.ON and First Utility for our long-standing winter warmth programmes has been reallocated from voluntary income to income from charitable activities. Taking this into account, income from charitable activities increased to £4.2 million (2018: £1.8 million), 7.5 per cent of our total net income. The remaining contribution is from our legacy Gifted Housing Service, our Expert by Experience contract with the Care Quality Commission, and income from Age UK Suffolk for its paid-for services.

**Review:** Income from charitable activities performed as expected. The Care Quality Commission is re-tendering for its Experts by Experience contract in 2019/20 and we plan to participate.

## Charitable expenditure

Age UK's charitable expenditure decreased to £57.4 million (2018: £69.2 million) due to the income challenges described above and cyclical programme funding changes.

**Review:** As with other charities, some of our charitable expenditure is determined by the ebb and flow of restricted funding for time-limited programmes, especially for our wellbeing programmes and international work. As we adapt to lower levels of unrestricted income from trading, and have an increased reliance on fundraising, on which there is normally more restriction, this ebb and flow will more obviously shape our activity. As expected and set out in last year's Annual Report, we spent less on health and care services due to our decision to wind down our Person-Centred Integrated Care programme and focus our attention on supporting the Age UK network to transform their health and care services. Spend on supporting the network also fell, largely due to the significant reduction in income received by TAMs (see page 67). Other changes are largely related to the group support cost allocation improvements noted above.

# Funding and finance

## Balance sheet

Balance sheet net assets increased by 10 per cent, from £52.1 million to £57.4 million. The £5.3 million overall increase in the balance sheet comprises:

- £2.5 million decrease in fixed assets\* reflecting asset impairment charges of £1.1 million and property disposals of £1 million.
- Investments\* decreased by £0.5 million consisting of:
  - Listed and unlisted investments were £0.9 million lower after the transfer out of £3 million for working capital purposes. Asset gains of £1.7 million in the year allowed the year to close with a balance of £56.1 million.
  - Investment properties increased by £0.4 million on the (restated) prior year balance after disposals of £1 million and an unrealised revaluation gain of £1.4 million.
- Net current assets were marginally up on the prior year. Trade debt decreased by £1.5 million due to lower commission receivable but was partially offset by a higher legacy accrual.
- Provisions reduced by £1.9 million due to the unwinding of various restructuring provisions held at the previous year-end.
- There was a £5.8 million improvement in the defined benefit pension scheme liability due to favourable market movements helping asset performance, and the impact of deficit recovery payments.

\* Note: Accounting treatment changed in the year to reflect the reclassification of certain freehold and long leasehold properties as investment properties, with appropriate restatements to the prior year comparatives.

## Pension scheme

In October 2012, the two final salary pension schemes of Age Concern England and Help the Aged merged into one scheme with two sections. Both sections of the scheme are closed to new entrants and future accrual.

A full actuarial valuation took place on 1 April 2016 and this has been reworked and projected forward using the 2019 FRS 102 assumptions. A new triennial valuation at 1 April 2019 is currently in progress.

Both sections of the scheme are valued and reported in accordance with FRS 102 and advised by scheme actuaries. The scheme showed an overall decrease in deficit of £5.8 million (£4.9 million decrease in 2017/18). This fell due to improved investment performance as well as the impact of new mortality tables which reduced the valuation of liabilities.

The discount rate decreased to 2.4 per cent (2.6 per cent in 2017/18), as a result of a year on year fall in market bond yields. RPI increased by 0.1 per cent to 3.4 per cent. Deficit contribution payments of £3.6 million were paid in the year reducing the deficit further.

## Reserves policy

Age UK's reserves policy is reviewed annually and continues to be based on a free reserves approach. Total funds held at 31 March 2019 were £57.4 million, which compares to £52.1 million at 31 March 2018. This includes total endowment funds of £2.6 million (2018: £2.5 million), restricted funds of £10.9 million (2018: £10.4 million) and designated funds of £18.9 million (2018: £21.7 million). Designated funds consist of the fixed asset funds which represent the net book value of fixed assets, including investment property and net of related provisions.

Free reserves at 31 March 2019 were £37.4 million (2018: £35.7 million). Free reserves are defined as unrestricted funds which have not been earmarked, and may be used generally to further the charity's objectives. For the purposes of this calculation, the pension reserve is added back to the total unrestricted

reserves to reflect the long-term nature of the provision. Age UK takes a nine-month forward view of free reserves, factoring in commercial and other risks. This enables Age UK to determine the reserves range required for the charity to cover planned charitable expenditure over the following nine months under two adverse scenarios reflecting a combination of risks identified through the risk management process. Applying this principle, Age UK has a target free reserves range of £30 million to £50 million. At 31 March 2019, Age UK's free reserves were £37.4 million, and so within the target range.

## Investment policy

The charity's overall investment objective is to maintain and enhance the value of the portfolio in real terms to enable the charity to realise its charitable objectives in the future. It seeks to maximise real returns over time, that is to protect the after inflation value of the charity's assets, while being in line with the charity's risk appetite which is defined as medium risk.

The investment policy is reviewed by Age UK's Strategic Finance Committee on an annual basis.

As at 31 March 2019, Age UK had just over £56 million invested in readily tradable securities with a liquid secondary market. The investments are managed by Sarasin and Goldman Sachs in a close to 50/50 split, and consist of two long-term portfolios and a number of smaller endowment funds.

The move from one investment manager to two occurred in April 2018 and is designed to reduce risk. Both managers work within the boundaries of the same investment policy but employ slightly different strategies which complement each other whilst still offering additional diversification.

The long-term portfolios contained just over £53.5 million and are invested in government and corporate bonds, index-linked gilts, UK commercial property, global equities, alternative assets and cash. Any non-Sterling investments are 80 per cent hedged back to GBP.

Age UK also holds endowed funds with a market value as at 31 March 2019 of £2.4 million. These funds are invested in the Sarasin Endowments Fund from which income is received on a quarterly basis.

Since their introduction in late April 2018, the Goldman Sachs portfolio delivered 3.84 per cent in the eleven months to 31 March 2019. With a balanced mandate targeting a 50/50 split between growth assets and defensive assets. The strategy was slightly behind the portfolio benchmark at 4.54 per cent but well ahead of the peer sector ARC Charity Sterling Balanced benchmark for the same period which delivered 1.87 per cent.

The Sarasin managed portfolio grew by 7.5 per cent on a total return basis net of fees. The portfolio also outperformed the index based benchmark (7 per cent) and the peer group as measured by the ARC Balanced Asset Charity Index (4.2 per cent).

This compared well against inflation with UK CPI up 1.8 per cent over the 2018/19 period.

Age UK also holds investment properties valued at £12.8 million at 31 March 2019, with a (restated) book value of £12.3 million at the previous year end.

# Risk management and assurance

Age UK's Trustees have overall responsibility for the management of risk within Age UK. Trustees view the management of risk as an essential discipline to support Age UK in achieving its strategy and goals.

This year Trustees have revisited the Risk Management Policy, Risk Framework and Risk Appetite in order to strengthen and embed the consideration of risk within Age UK's decision-making processes. The Audit and Risk Committee is responsible for the oversight of the work of Executive Directors in this area and ensures that challenge is provided and that robust mitigating actions and controls are in place.

Age UK operates a 'three lines of defence' model which balances ownership and accountability for managing risks in the charity with a separate risk and compliance function and an independent internal audit. The Audit and Risk Committee is responsible for the appointment of the internal auditor and external auditor. Over the course of the year, the contracts for both of these roles were successfully re-tendered. BDO (formerly Moore Stephens) were appointed as Age UK's internal auditors and Crowe (formerly Crowe Clarke Whitehall) were appointed as Age UK's external auditors.

Age UK considers risk across different time horizons and from different viewpoints. This allows us to make effective use of resources within our budgets as well as to build in deliberate debate and monitoring at the right level within Age UK, be that Board discussions, executive meetings or department meetings. Below we have shared what we consider are our greatest challenges to achieving our strategy and the context surrounding each risk:

## **Working together**

Age UK is part of a network of independent local and national charities, as together we deliver more for older people. However, cuts to local authority budgets have significantly affected many members of the network, putting their vital work at risk. As a national charity we work together with our local and national partners to strengthen their impact and improve their financial resilience. The Age UK network, with

Age UK as a member, has held a 'Big Conversation' about a shared strategy for the next decade (see page 50) to respond to older people's needs and ensure an enduring presence of the local support on which they rely.

## **Investing in future growth**

The economic environment continues to be challenging, affecting the contribution from the commercial activities of our trading subsidiaries in particular. Age UK recognises that to grow our income we will need to invest, particularly in fundraising (see page 63). Against this backdrop, Age UK wants to find the right balance to make that investment whilst also ensuring that we protect our charitable activity. We have looked at the options available to us, taken external advice, and decided to reduce our reserves to a level that enables this.

## **Managing the potential regulatory and reputational risks to the charity of our commercial activities**

Age UK's trading subsidiaries work with third parties to offer physical products, financial and other commercial services, for sale to the 50 plus market. Profits are gifted to the charity to fund its charitable work. A small number of these products and services have been subject to media attention. We are transferring these products and services to a new, clearly commercial brand, Age Co, to make it clear to customers that they are not charitable. We have recently improved the charity's oversight of its trading subsidiaries, including the introduction of the Age Co Trading Principles, against which all existing and future products and services must comply before being granted use of the Age Co trademark by the charity.

### **Protecting the health, wellbeing and human rights of our beneficiaries, supporters and colleagues**

Given revelations about safeguarding practices (and related problems with leadership and management culture) at a small number of large charities, Age UK has reflected on our own work in this area and audited our current practice. We have developed a three-year safeguarding plan that is both broader and deeper in its goals than meeting statutory requirements. Our new wellbeing strategy is seeking to enable our workforce to take more active steps to manage their mental and physical health and wellbeing.

### **Meeting our regulatory obligations in a broad and evolving regulatory landscape**

Age UK recognises that the regulation in our sector, and those in which we operate through subsidiaries, provides a framework of control and protection for people who interact with us. Due to the broad range of regulators we need to comply with, the changing risk landscape in which they operate, and a move away from prescriptive controls to a principles-based approach, there is always potential that we fail to interpret guidance as envisioned by the regulator. However, our intention, and the effort we expend in this area is to achieve compliance, and where there is risk of misinterpretation to detect this and remediate as soon as possible. We have invested more resource in information security, data governance and fundraising compliance, both in recruiting experienced people as well as systems and technology to identify breaches. Age UK is piloting assurance mapping with the objective of bringing greater understanding and ownership to the charity and its subsidiaries of regulatory compliance, and the requirement to provide assurance to the Trustees.

### **Protecting the charity's assets**

Against a turbulent global backdrop and a more specific risk related to the uncertainty surrounding Brexit, Age UK has experienced volatility, both positive and negative, in its investment assets and pension liabilities. Over the past year, Age UK has re-tendered the external pension advisor position, and re-appointed Capita. Age UK also took steps in recent years to split the investment portfolio between two external investment managers, Sarasin Asset Management and Goldman Sachs Asset Management. The Board's Strategic Finance Committee works with the Executive and these advisors take a considered medium to long-term strategy which provides a financially resilient asset and liability approach to curtail the more unpredictable short-term gains and losses. This is regularly reviewed during the course of each year.

# Governance

Age UK is a charity constituted as a company limited by guarantee (registered charity number 1128267 and registered company number 6825798) and therefore subject to charity, trust and company law. This Report of the Trustees incorporates the Strategic report and the Directors' report required under the Companies Act 2006 (Strategic report and Directors' report) Regulations 2013.

Age UK is governed by a Memorandum and Articles of Association which sets out its charitable objectives:

- Preventing or relieving the poverty of older people.
- Advancing education.
- Preventing or relieving sickness, disease or suffering in older people (whether emotional, mental or physical).
- Promoting equality and diversity.
- Promoting the human rights of older people in accordance with the Universal Declaration of Human Rights.
- Assisting older people in need by reason of ill health, disability, financial hardship, social exclusion or other disadvantage.
- Such other charitable purposes for the benefit of older people as the Trustees may decide.
- The outcome of this being the promotion of the wellbeing of older people.

## Age UK Board of Trustees

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for the strategy, management and control of Age UK (the Charity and its subsidiaries). Our Chief Executive, working with the Executive Team, is responsible for delivering the Board's vision and strategy and for the day-to-day operations.

As of 31 March 2019, the Board was made up of eight Trustees.

Our Articles allow up to 12 Trustees including:

- Eight Appointed Trustees.
- Either the Chair of the Age England Association (representing our network of Brand Partners) ex officio or another person nominated by the Association.
- Up to three co-opted Trustees (for a term to be decided by the Trustees).

All Trustees are required to demonstrate that they meet the skills needed set out in the role profile. Appointments are led by the Remuneration and Nominations Committee which makes recommendations to the Board of Trustees. We recruit based on an evaluation of the balance of the diverse skills and experience needed to govern the Charity in the long term, ensuring that the Board is fit for purpose and brings a diversity of different interests.

Appointed Trustees are recruited following external advertisement and their skills and competencies are assessed against the role profile. They serve for an initial term of two years and, subject to review and the approval of the Board of Trustees, may serve for two further periods of three years.

All new Trustees are given an induction programme which is tailored to their needs. Individual Trustees have regular appraisals with the Chair of the Board; this enables any training and development needs to be identified and addressed.

The Board of Trustees holds away days once or twice a year which focus on strategic issues and are an important part of Age UK's process for developing strategy, annual plans and budgets. The Trustees have overall approval and oversight of the organisation's strategy, plans and budgets and are regularly kept updated on progress against these and a series of agreed targets and key performance indicators.

### Charity Governance Code

Age UK supports the principles of the Charity Governance Code fully and we will continue to review our practice against the Code's requirements as part of an approach of continuous improvement of our governance arrangements, as the Code envisaged. We intend to continue our emphasis when recruiting Trustees on ensuring that the Board retains a balance of charitable and business skills and experience, whilst also looking to broaden the diversity of our trustees. Having carried out an external board effectiveness review in 2016–2017 we will be carrying out the next review shortly, taking into account – as in the past – the principles of the Code.

### Board committees

The Age UK Board has established a number of Committees to consider issues in greater depth and to advise the Board. All Committees are accountable to, and report to the Board, and have no decision making authority. The Board, recognising its responsibilities, delegates decision making to Committees by exception.

The Board's principal governance-related Committees are as follows.

### Age UK Group Audit and Risk Committee

The Committee:

- Ensures that Age UK and its subsidiaries are identifying, recording and managing risks effectively.
- Provides assurance to the Board of Trustees on Age UK's internal controls, including financial controls, and compliance with relevant law and regulation.
- Oversees the internal and external audit functions and timely production of Age UK's Annual Report and Accounts.
- Provides oversight of the risk management, internal controls and compliance of Age UK's subsidiaries.

The Audit and Risk Committee's membership was a mix of trustees – Stuart Purdy (chair) and Suzanna Taverne – and non-trustees – Jill Robinson (from August 2018, the chair of Age UK Enterprises Audit and Risk Committee) and Hitesh Tailor (until July 2018) and Shona Spence (from April 2018), as independent members.

It met six times during the year and particularly focused on:

- Transition to and first full year of new internal auditors.
- Tendering for new external auditors.
- Safeguarding, against the backdrop of the Charity Commission's sector-wide focus on this issue.
- Developing and adopting a new risk appetite statement.
- Information security.
- Organisation-wide attestation of and training on core policies.

## Remuneration and Nominations Committee

The Committee:

- Reviews pension, employment and remuneration policies.
- Determines the salary and appointment of the Chief Executive and the Executive Directors.
- Leads the process of Trustee appointments, including the appointment of the Chair of the Board of Trustees, Committee appointments and appointments to the Boards of Age UK's subsidiaries.
- Oversees Age UK's annual pay and performance review process.

The Committee's membership was Sharon Allen (chair), Sir Brian Pomeroy and David Hunter.

It met five times during the year and particularly focused on:

- Reviewing skill-sets within the Board to inform trustee recruitment.
- Planning for the development of the boards of Age UK Trading CIC and Age UK Enterprises and appointing to key roles.
- Establishment of the boards of the three Lottery CICs.
- Review of approach to performance management.
- Oversight of development of pay and grading structures.

## Strategic Finance Committee

The Committee:

- Supports the Age UK Board of Trustees in ensuring the financial stability and future growth of Age UK.
- Provides oversight of the Charity's finances and investments, financial strategy, objectives, plans and policies.
- Ensures strategic dialogue between Age UK and its subsidiaries.

The Committee's membership was David Hunter (chair), Sir Brian Pomeroy and Mike Dixon.

It met five times during the year and particularly focused on:

- Management and oversight of investments and of pension funds.
- The group's budget and budgeting process.
- Potential changes in the group's structure.
- Intra-group financial and accounting issues.
- The charity's property strategy.

## Age UK subsidiaries

The Age UK Group comprises Age UK, Age International and a number of other subsidiaries. Age UK's principal subsidiaries in 2018/19 (the Silver Line became a subsidiary subsequently – see page 132) were:

### Age International

Age International is the trading name of HelpAge International UK, a charitable company limited by guarantee and registered in England and Wales (registered charity number 1128267-9 and registered company number 07897113).

It is the UK affiliate of the HelpAge International global network of organisations focused on ageing which has 141 members in 60 countries.

Age International is governed by a Board of eight Trustees, each of whom is eligible to serve up to three terms of three years. In 2018/19, the Chair of Age International is Ann Keeling and the Managing Director is Chris Roles. More information can be found in Age International's Trustees Report 2018/19.

### Age UK Trading CIC

Age UK Trading CIC is a Community Interest Company limited by shares (registered company number 1102972). In accordance with the company's Articles of Association, any surplus generated may be returned to Age UK, the sole member of the company, to use to benefit the community, in particular activities that are in furtherance of the Charity's objectives.

It brings together Age UK's commercial activities, including our network of over 400 charity shops, dealing in the sale of donated goods. Age UK Trading CIC also generates income from the sale of new goods and from selling second hand goods on behalf of the general public as an agent. The company receives income from the marketing and referral of customers to some of our commercial partners.

In 2018–2019 its Board was a mix of non-executive directors – David Hunter (chair to November 2018) and Mike Dixon (chair from November 2018), who are Trustees, and Barbara Merry (until February 2019) who was the Chair of Age UK Enterprises – and executive directors – Rajeev Arya (until March 2019), Ian Foy (until September 2018) and Tracey Bright (from November 2018).

### **Age UK Enterprises**

Age UK Enterprises Ltd is a registered company limited by shares (registered company number 3156159).

It provides insurance services and other products designed for people in later life.

In 2018–2019 its membership was a mix of non-executive directors – Barbara Merry (chair and member until February 2019), Stuart Purdy, Jill Robinson (from August 2018 and interim Chair from February 2019) – and executive directors – Ian Foy (until September 2018), Doug Strachan and Annette Petchey.

It has established an Audit and Risk Committee to ensure that the Board has the assurance it needs in relation to the company's risk management, compliance and internal controls. In 2018–2019 its membership was a mix of non-executive directors – Stuart Purdy (chair until August 2018), Jill Robinson (member and chair from August 2018), Barbara Merry (until February 2019) – and independent members – Shona Spence (from March 2019).

### **Age UK Lottery CICs**

Age UK Local Programmes Lottery CIC, Age UK Information and Advice Lottery CIC, and Age UK Education and Research Lottery CIC are Community Interest Companies limited by guarantee (registered company numbers 11335613, 11335248 and 11372685 respectively) who run lotteries and raffles for community purposes.

Their Boards are a mix of non-executive directors – Sir Brian Pomeroy (chair) – and executive directors – Michael Cutbill, Laurie Boulton and Pam Creaven.

### **Age UK Suffolk**

Age UK Suffolk (registered company number 04150543) became a subsidiary charity in February 2017 and Age UK is its sole member.

### **Age Cymru**

Age Cymru (registered company number 06837284) became a subsidiary charity with effect from 1 October 2017 and Age UK is its sole member.

# Trustees, Executive Directors and Professional Advisers

Royal Patron

**His Royal Highness the Prince of Wales**

## Trustees and Independent Committee members

Trustees	ARC	RNC	SFC	EARC
Sharon Allen		•		
Anna Bradley (until May 2019)				
Mike Dixon			•	
David Hunter		•	•	
Mark Lunney (until March 2019)				
John Norley (from July 2019)	•			
Brian Pomeroy (Chair)		•	•	
Stuart Purdy	•			
Suzanna Taverne	•			
Nick Wilkinson (until June 2019)				

Independent Committee Members	ARC	RNC	SFC	EARC
Jill Robinson (from August 2018)	•			•
Shona Spence (from April 2018)	•			Interim
Hitesh Tailor (until July 2018)	•			

**ARC** – denotes that the individual was a member of the Audit and Risk Committee for all or part of 2018/19

**RNC** – denotes that the individual was a member of the Remunerations and Nominations Committee for all or part of 2018/19

**SFC** – denotes that the individual was a member of the Strategic Finance Committee for all or part of 2018/19

**EARC** – denotes that the individual was a member of Age UK Enterprises Audit and Risk Committee for all or part of 2018/19

## Executive directors

- Caroline Abrahams, Charity Director
- Rajeev Arya, Chief Financial Officer (until March 2019)
- Laurie Boulton, Fundraising Director
- Tracey Bright, Director of People and Performance (until September 2018) / People, Performance and Retail Director (from September 2018), and Interim CRM, Tech & Digital, Infosec Director (from March to October 2019)
- Pam Creaven, Services Director
- Ian Foy, Managing Director of Age UK Trading CIC (until September 2018)
- Stephanie Harland, Group Chief Executive
- Chris Roles, Managing Director of Age International
- Vicki Thornton, Chief Financial Officer (from November 2019)

## Professional advisers

### Bankers

National Westminster Bank plc,  
250 Bishopsgate, London EC2M 4AA

### Internal auditors

BDO LLP, 55 Baker Street,  
London W1U 7EU

### External auditors

Crowe U.K LLP, St Bride's House,  
10 Salisbury Square, London EC4Y 8EH

### Solicitors

Farrer & Co LLP, 66 Lincoln's Inn Fields,  
London WC2A 3LH

### Investment managers

Sarasin & Partners LLP, Juxton House,  
100 St Paul's Churchyard, London EC4M 8BU

Goldman Sachs International, Plumtree Court,  
25 Shoe Lane, London EC4A 4AU

### Age UK registered office

Tavis House, 1–6 Tavistock Square,  
London WC1H 9NA

# Further information

## Age UK and its partners

Age UK, local Age UKs and Friends of local Age UKs are all members of the Age England Association, a body that supports us to work together effectively. Age UK has regular meetings with the Age England Association's Executive Committee.

Age UK also works closely with Age Cymru, Age NI and Age Scotland to co-ordinate work at a national level in the UK.

## Age UK grant-making policy

Through its grant-giving, Age UK supports our local partners in delivering key services and developing them as sustainable organisations. It also supports other local, national and international organisations to further Age UK's strategic objectives to improve the lives of older people. Age UK's grant programme is funded by Government, external trusts and foundations and from its own income. Each application received for grant aid is rigorously assessed. All grant recipients are required to submit progress reports (normally quarterly or as defined by the specific programme). Most grants are for less than 12 months; where for a longer period of time, a full mid-term review is undertaken.

## Environment

Age UK is a professional and environmentally aware organisation that acknowledges the impact that its operations may potentially have on the environment. We aim to work towards environmental best practice and minimise any impact on the environment by:

- Considering the effect that our operations may have on the local and wider community.
- Taking action to eliminate or reduce, as far as practicable, any potential adverse environmental impacts.
- Behaving in a considerate and socially responsible manner.
- Ensuring effective and expedient incident control, investigation and reporting.

## Disclosure of information to auditor

Each of the persons who is a Trustee at the date of approval of this report confirms that, so far as each Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

## Public benefits reporting and future plans

In setting plans and priorities for areas of work, the Trustees of Age UK have had regard to the guidance from the Charity Commission on the provision of public benefit and Age UK meets the definition of a public benefit entity under FRS 102. In particular, the Trustees consider how planned activities contribute to meeting its objectives and how Age UK delivers its principal charitable activities – as set out in the Memorandum and Articles of Association (see page 76).

**This includes:** providing information and advice; delivering and transforming health and care services; delivering wellbeing programmes; supporting the Age UK network; campaigning and research; and working internationally and is demonstrated in the charitable activity sections on pages 24 to 57.

# Statement of Trustees' responsibilities

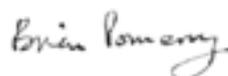
The Trustees (who are also directors of Age UK for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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

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

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

The Report of the Trustees, which incorporates the requirements of the Strategic report and the Directors' report as set out in the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, was approved by the Board, in their capacity as Trustees and company Directors on 28 November 2019 and signed on its behalf by:



Sir Brian Pomeroy  
Chair on 10 December 2019

# Independent Auditor's Report to the Members and Trustees of Age UK



## Opinion

We have audited the financial statements of Age UK for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 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 group's or 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.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company 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 trustees

As explained more fully in the trustees' responsibilities statement set out on page 83 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or 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.

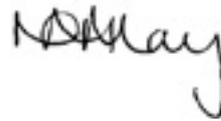
## Auditor's responsibilities for the audit of the financial statements

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 website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance 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.



**Nicola May, Senior Statutory Auditor**

For and on behalf of **Crowe U.K. LLP**  
Statutory Auditor, London

18 December 2019

# Financial statements





## Consolidated Statement of Financial Activities, incorporating an income and expenditure account

### For the year ended 31 March 2019

INCOME FROM:	Note	Unrestricted £'000	Restricted £'000	2019 £'000	2018 £'000 Restated
<b>Voluntary</b>					
Donations and gifts		7,954	4,404	12,358	15,449
Legacies		25,174	441	25,615	29,487
Grants, corporate and trusts		629	10,888	11,517	13,312
Lotteries and raffles		7,509	3,808	11,317	10,494
<b>Total voluntary income</b>		<b>41,266</b>	<b>19,541</b>	<b>60,807</b>	<b>68,742</b>
<b>Trading activities</b>					
Charity Shops		41,458	-	41,458	42,772
Financial Services		16,010	14	16,024	27,266
Independent Living Solutions		2,688	-	2,688	2,754
Other trading income		1,090	143	1,233	1,268
<b>Total income from trading activities</b>		<b>61,246</b>	<b>157</b>	<b>61,403</b>	<b>74,060</b>
<b>Investment and interest income</b>		<b>1,322</b>	<b>76</b>	<b>1,398</b>	<b>1,520</b>
<b>Charitable activities</b>					
Campaign and research		111	-	111	58
Information and advice		120	-	120	85
Health and care		852	-	852	838
Wellbeing		772	-	772	679
Support the network		2,317	-	2,317	166
International		57	3	60	12
<b>Total income from charitable activities</b>		<b>4,229</b>	<b>3</b>	<b>4,232</b>	<b>1,838</b>
<b>Other income</b>					
Net (loss)/gain on disposal of fixed assets		(52)	2	(50)	347
<b>TOTAL INCOME</b>		<b>108,011</b>	<b>19,779</b>	<b>127,790</b>	<b>146,507</b>
<b>EXPENDITURE ON:</b>					
<b>Cost of raising funds</b>					
Cost of generating voluntary income	3a	(14,074)	(1,850)	(15,924)	(14,754)
Cost of generating trading income	3b				
Cost of Charity Shops		(40,761)	-	(40,761)	(41,841)
Cost of Financial Services		(12,603)	-	(12,603)	(19,739)
Cost of Independent Living Solutions		(2,343)	-	(2,343)	(2,462)
Other costs of raising funds		-	-	-	(78)
Total cost of generating trading income	3b	(55,708)	-	(55,708)	(64,120)
<b>Total cost of raising funds</b>		<b>(69,782)</b>	<b>(1,850)</b>	<b>(71,632)</b>	<b>(78,874)</b>
<b>Net resources available for charitable activities</b>	2	<b>38,229</b>	<b>17,929</b>	<b>56,158</b>	<b>67,633</b>

EXPENDITURE ON:	Note	Unrestricted £'000	Restricted £'000	2019 £'000	2018 £'000 Restated
<b>Charitable activities</b>					
Campaign and research		(8,040)	(638)	(8,678)	(7,343)
Information and advice		(6,458)	(2,864)	(9,322)	(10,677)
Health and care		(2,148)	(91)	(2,239)	(4,476)
Wellbeing		(7,286)	(4,167)	(11,453)	(11,212)
Support the network		(12,004)	(763)	(12,767)	(20,423)
International		(6,234)	(6,733)	(12,967)	(15,048)
<b>Total expenditure on charitable activities</b>	3c	<b>(42,170)</b>	<b>(15,256)</b>	<b>(57,426)</b>	<b>(69,179)</b>
<b>TOTAL EXPENDITURE</b>	3	<b>(111,952)</b>	<b>(17,106)</b>	<b>(129,058)</b>	<b>(148,053)</b>
Tax payable		(387)	-	(387)	-
Net gains/(losses) on investments		3,033	71	3,104	(605)
<b>NET INCOME/(EXPENDITURE)</b>		<b>(1,295)</b>	<b>2,744</b>	<b>1,449</b>	<b>(2,151)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains on pension scheme	18	3,840	-	3,840	2,400
Gain on sales of subsidiary	28	69	-	69	1,151
Income on acquisition of subsidiary		-	-	-	1,096
Transfers between funds		2,516	(2,516)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>5,130</b>	<b>228</b>	<b>5,358</b>	<b>2,496</b>
<b>Reconciliation of funds</b>					
Total funds brought forward restated		38,854	13,231	52,085	49,589
Net movement in funds		5,130	228	5,358	2,496
<b>Total funds carried forward</b>		<b>43,984</b>	<b>13,459</b>	<b>57,443</b>	<b>52,085</b>

For full 2018 SOFA please refer to Note 19.

## Consolidated and Charity Balance Sheets

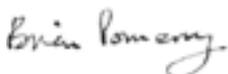
As at 31 March 2019

	Note	Group 2019 £'000	Group 2018 £'000 Restated	Charity 2019 £'000	Charity 2018 £'000 Restated
<b>Fixed assets</b>					
Tangible assets	8	11,825	14,298	11,737	13,462
Investments	9	68,821	69,291	68,821	69,291
<b>Total fixed assets</b>		<b>80,646</b>	<b>83,589</b>	<b>80,558</b>	<b>82,753</b>
<b>Current assets</b>					
Stock	10	499	618	-	-
Debtors	11	17,709	16,431	16,396	17,121
Cash at bank and in hand		5,701	6,643	1,928	3,314
<b>Total current assets</b>		<b>23,909</b>	<b>23,692</b>	<b>18,324</b>	<b>20,435</b>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	12	(22,530)	(22,679)	(23,580)	(24,274)
<b>Net current assets/(liabilities)</b>		<b>1,379</b>	<b>1,013</b>	<b>(5,256)</b>	<b>(3,839)</b>
Creditors: Amounts falling due after one year	13	(2,478)	(2,723)	(2,478)	(2,723)
Provisions for liabilities and charges	14	(9,857)	(11,707)	(9,269)	(8,112)
<b>Net assets excluding pension liability</b>		<b>69,690</b>	<b>70,172</b>	<b>63,555</b>	<b>68,079</b>
Defined benefit pension scheme liability	18	(12,247)	(18,087)	(11,934)	(17,480)
<b>Net assets</b>		<b>57,443</b>	<b>52,085</b>	<b>51,621</b>	<b>50,599</b>
<b>Funds</b>					
Endowment funds		2,597	2,449	2,597	2,449
Restricted funds		10,862	10,782	10,150	10,271
<b>Total endowed and restricted funds</b>	16	<b>13,459</b>	<b>13,231</b>	<b>12,747</b>	<b>12,720</b>
Investment property reserve		12,768	12,333	12,768	12,333
Other fixed assets		6,105	9,365	6,017	8,529
<b>Fixed asset funds</b>		<b>18,873</b>	<b>21,698</b>	<b>18,785</b>	<b>20,862</b>
General reserve – excluding pension liability		37,358	35,243	32,023	34,497
Pension reserve	18	(12,247)	(18,087)	(11,934)	(17,480)
<b>General reserve</b>	16	<b>25,111</b>	<b>17,156</b>	<b>20,089</b>	<b>17,017</b>
<b>Total unrestricted funds</b>	16	<b>43,984</b>	<b>38,854</b>	<b>38,874</b>	<b>37,879</b>
<b>Total funds</b>		<b>57,443</b>	<b>52,085</b>	<b>51,621</b>	<b>50,599</b>

The surplus in the year for the charity Age UK only was £1,187,000 (2018: £908,000).

The accompanying notes on pages 94 to 137 form part of these financial statements.

The financial statements on pages 90 to 137 were approved by the Board of Trustees on 28 November 2019 and signed on its behalf on 10 December 2019 by:



**Sir Brian Pomeroy**  
Chairman

## Consolidated cash flow statement

### For the Year Ended 31 March 2019

		Group 2019 £'000	Group 2018 £'000
<b>Cash flows from operating activities</b>			
<b>Net income for the year</b>		<b>5,358</b>	<b>2,496</b>
Adjustments for:			
Investment income and interest received		(1,398)	(1,520)
Depreciation and amortisation of fixed assets		3,456	4,138
Loss/(gain) on sale of fixed assets		51	(349)
Net (gain)/loss on investments		(3,104)	604
Present value adjustment to finance leases		(2)	6
Actuarial (gain) on defined benefit pension scheme		(3,840)	(2,400)
Gain on sale of subsidiary		(69)	(1,151)
		<b>(4,906)</b>	<b>(672)</b>
Decrease/(Increase) in stocks		119	(52)
(Increase)/Decrease in debtors		(1,278)	2,575
(Decrease) in creditors		(779)	(9,977)
(Decrease)/Increase in provisions		(1,850)	4,453
Difference between pension charge and cash contribution		(2,000)	(2,571)
		<b>(5,788)</b>	<b>(5,572)</b>
<b>Net cash from operating activities</b>	<b>A</b>	<b>(5,336)</b>	<b>(3,748)</b>
<b>Cash flows from investing activities</b>			
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(1,744)	(4,455)
Proceeds from sale of tangible fixed assets		713	1,518
Proceeds from sale of Investment properties		976	-
Cash purchase of investments		(27,307)	(1,320)
Cash withdrawals from investments		31,186	973
Interest received		6	1,520
Investment management costs		-	(27)
<b>Net cash from investing activities</b>	<b>B</b>	<b>3,830</b>	<b>(1,791)</b>
<b>Cash flows from financing activities</b>			
<b>Returns on investment and servicing of finance</b>			
Proceeds from new loans		2,054	6,500
Repayments of borrowings		(1,392)	(834)
Proceeds from finance lease arrangements		-	371
Repayments of finance leases		(98)	(91)
<b>Net cash from financing activities</b>	<b>C</b>	<b>564</b>	<b>5,946</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net (decrease)/increase in cash in the period	<b>A+B+C</b>	(942)	407
Cash and cash equivalents at 1 April 2018		6,643	6,236
<b>Cash and cash equivalents at 31 March 2019</b>		<b>5,701</b>	<b>6,643</b>

The accompanying notes on pages 94 to 137 form part of these financial statements.

# Notes to the financial statements

For the Year Ended 31 March 2019

## 1 a) Accounting policies

The Charity is a company limited by guarantee. The members of the company are the trustees, who are also ordinary members and named on page 80. 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. The principal accounting policies are summarised below.

### Basis of preparation

These Group and parent company financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The presentation currency of these financial statements is sterling.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The financial statements are prepared on the historical cost basis with the exception of investments which are stated at fair value.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1 (b).

The Trustees have reviewed Age UK's financial position and considered the impact of future activities. The Trustees have a reasonable expectation that the charity has adequate resources and are of the view that there are no material uncertainties about the charity's ability to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on the basis that the charity is a going concern.

The Charity presents its charitable activities under six headings which reflect how the different functions within the Charity work together to help more older people love later life.

The organisation is a charitable company limited by guarantee, incorporated in England and Wales on 20 February 2009 and registered as a charity on 25 February 2009.

### Basis of consolidation

The consolidated accounts of the Group incorporate the accounts of the Charity and its subsidiary undertakings.

The Trustees have taken the exemption conferred by S408(3) Companies Act 2006, accordingly the accounts present a consolidated Statement of Financial Activities (SOFA) only.

### Income

All income is derived from services and activities carried out in the UK.

All income is included in the SOFA when the Charity is legally entitled to the income, when receipt of the

income is probable and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

- Donations and all other receipts generated from fundraising are reported on a receivable basis. Lotteries and raffles income is recorded on the date of the draw.
- Legacies are accounted for as income once the receipt of the legacy becomes probable and quantifiable and entitlement criteria are established. For pecuniary legacies this will generally be at the point probate is granted. For residuary legacies this will generally be when a copy of the will and an Assets and Liabilities Statement has been received from the executor and is subject to a provision of 20 per cent to allow for the uncertainty of the final income value.
- Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.
- Gifts In Kind, where donated for distribution, are included at the value to the Charity and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold at the price realised.
- Where donated services and facilities are provided, these are included at the value to the Charity where this can be quantified. An equivalent amount is recognised in costs. The value placed on them is the value to the Charity (i.e. the price the Charity would have paid on the open market). No amounts are included in the financial statements for services donated by volunteers.
- Investment income is accounted for when receivable and includes the related tax recoverable.
- Trading income is accounted for on a receivable basis. Income from insurance activities is accounted for when the insurance policy is sold or renewed. The upfront payment arising from the sale of emergency alarm products has been accounted on an invoiced basis.

## Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are charged in the year when the offer is conveyed to the recipient, except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled.

Fundraising costs are those incurred in seeking voluntary donations and do not include the costs of disseminating information in support of charitable objectives.

Governance costs are the costs associated with the running of the Charity, as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. These include such items as internal and external audit, legal advice for Trustees and costs associated with constitutional and statutory requirements.

Support costs, which include office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing, are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds. The basis of the cost allocation has been explained in note 4 to the accounts.

Where information about the aims, objectives and projects of the Charity is provided in the content of fundraising material, those costs are apportioned to charitable expenditure.

A percentage of the cost of selling donated goods has been allocated to charitable activities. The percentage allocation is based on the number of hours per week spent by full-time equivalent staff in promoting the Charity's activities. Irrecoverable VAT is charged as a cost to the SOFA.

## Intangible fixed assets

Development costs are capitalised when they are expected to generate future revenue streams. Such costs are amortised over a period no longer than three years commencing in the year in which sales of the product are first made.

Impairments are recognised when events or changes in circumstances indicate that the carrying amount may not be recoverable.

## Tangible fixed assets

Tangible fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Tangible fixed assets costing more than £5,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation and any impairment is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

<b>Freehold land</b>	nil
<b>Freehold and long-leasehold properties</b>	over 40 or 50 years
<b>Gifted housing</b>	over 50 years
<b>Short-leasehold properties</b>	over 5 years
<b>Fixtures and fittings</b>	over a period ranging from 3 to 10 years
<b>Motor vehicles</b>	over 4 years
<b>Computer equipment</b>	over 3 years

## Gifted housing scheme

Gifted houses are accounted for as income when donated at market value. A qualified surveyor carries out the valuations. When an individual donates a house to the Charity, the Charity is committed to caring for that individual and maintaining their property. A valuation of the total cost of care for individuals who have gifted their house is made and the sum is included within provisions for liabilities and charges. Costs of care are charged to the provision as incurred (note 14). Any properties donated without ongoing care or maintenance commitments are not part of the scheme. Properties no longer qualifying as gifted housing become investment properties at that date.

## Investments

Listed investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in subsidiaries are held at cost less provision for impairment if any.

It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising. As a result the SOFA does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings, as they are both treated as changes in the investment portfolio throughout the year.

Movements in value arising from investment changes or revaluation and the profit on disposal of investments have been charged or credited to the funds to which they relate.

Investment properties are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations in the year. The properties in the portfolio are revalued by a professional valuer at least every 3 years. Losses arising on revaluation of any property are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. Any gains arising on revaluation are recognised in other comprehensive income only where the group has discretion over the timing of the asset's disposal, thereby excluding gifted housing properties.

## Leases

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases and are charged to the SOFA on a straight-line basis. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

## Stocks

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

## Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

## Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

## Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

## Pensions:

### Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Charity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the SOFA in the periods during which services are rendered by employees.

For defined contribution schemes the amount charged to the SOFA for pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The entity's net obligation in respect of defined benefit plans (and other long term employee benefits) is calculated (separately for each plan) by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The entity determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to the terms of the entity's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The entity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and

the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss.

Remeasurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

The Charity makes deficit recovery payments to two closed defined benefits schemes that merged into one sectionalised scheme in October 2012.

The Charity contributes to a group personal pension plan operated by Zurich which is available to all employees over the age of 18.

The assets of the scheme are held separately from those of the Charity. The annual contribution payments are charged to the SOFA.

## Funds:

### Endowment funds

Investment income and gains/losses are allocated to the appropriate fund, all income from endowed funds currently held are unrestricted.

### Restricted funds

Restricted funds are funds subject to special conditions imposed by the donor, or with their authority (e.g. through a public appeal) or created through a legal process. The funds are not therefore available for work performed by Age UK other than that specified by the donor.

### Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and include:

- **Fixed asset funds:** These funds represent the book value of fixed assets, including investment properties, after allowing for the gifted housing scheme donor support provision.
- **Investment property reserve:** This fund represents the change in value due to revaluation of investment properties.
- **General reserves:** This represents funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the Charity.
- **Pension reserve:** In accordance with FRS102 – Retirement benefits, the liability attributable to the pension schemes as set out in note 18 is shown as a reduction of total funds. No designation of funds to meet future pension commitments at the balance sheet date is in place as the Charity anticipates that these commitments will be met through future cash flows and this is subject to regular review in conjunction with actuarial valuations and related professional advice.

Transfers between restricted funds or between restricted and unrestricted funds are made to maintain the committed value of such funds.

## 1 b) Critical accounting estimates and judgements

In preparing the financial statements the trustees are required to make certain estimates and judgements which have an impact on the carrying value of assets and liabilities. These estimates and assumptions are reviewed on an on-going basis, and are based on historical experience and other factors considered relevant at the time the estimates and judgements are made. The key sources of estimation uncertainty are:

**a) Defined benefit pension liability** – Measurement requires a number of significant assumptions as disclosed in note 18.

**b) Residuary legacies** – There is uncertainty in the value of residuary legacies recognised due to the time lapse between when probate has been granted and when the final distribution is made. An allowance of 20 per cent (£2.2m) has been applied at 31 March 2019 to reflect this.

**c) Donor support provision** – The Charity provides for future care costs related to its Gifted Housing Scheme. This requires assumptions on future costs and property maintenance, mortality rates and inflation.

**d) Insurance policy cancellations and lapses** – Assumptions made relating to the early termination of contracts and the resulting provisions required.

## 1 c) Prior year restatements

Restatements to the prior year comparatives have been made in respect of the following:

Prior year income and expenditure were both overstated in the prior year by £895k. The correction of which has no impact on surplus or reserves.

Income from lotteries and raffles has been classified as voluntary income in these statements but reported as trading activity in prior years (2018: £10,494k). The associated prior year costs have also been reclassified (2018: £7,040k).

A review of fixed asset properties led to a reclassification of properties from Fixed Assets (Gifted Housing) to Investment Properties. The prior year adjustment of £12,059k affects the balance sheets of the Charity and Group.

## 2. Net resources available for charitable activities

	Income £'000	Expenditure £'000	2019 £'000	Income £'000	Expenditure £'000	2018 Restated £'000
Donations and gifts	12,358	(3,376)	8,982	15,449	(4,094)	11,355
Legacies*	25,615	(3,788)	21,827	29,487	(2,032)	27,455
Grants, corporates and trusts	11,517	(2,121)	9,396	13,312	(1,588)	11,724
Lotteries and raffles	11,317	(6,639)	4,678	10,494	(7,040)	3,454
<b>Total fundraising</b>	<b>60,807</b>	<b>(15,924)</b>	<b>44,883</b>	<b>68,742</b>	<b>(14,754)</b>	<b>53,988</b>
Income from charitable activities	4,232	-	4,232	1,838	-	1,838
Net income from trading (i)	5,695	-	5,695	9,940	-	9,940
Investment income and interest	1,398	-	1,398	1,520	-	1,520
Net (loss)/gain on disposal of fixed assets	(50)	-	(50)	347	-	347
<b>Net resources available for charitable activities</b>	<b>72,082</b>	<b>(15,924)</b>	<b>56,158</b>	<b>82,387</b>	<b>(14,754)</b>	<b>67,633</b>
<b>Total charitable expenditure</b>			<b>(57,426)</b>			<b>(69,179)</b>
% of income available for charitable activities			78%			82%
% of income spent on charitable activity			102%			102%
% of fundraising income available for charitable activities			74%			79%
<b>(i) Trading analysis</b>	<b>61,403</b>	<b>(55,708)</b>	<b>5,695</b>	<b>74,060</b>	<b>(64,120)</b>	<b>9,940</b>

\* An amount of £10,950,752 (2018: £12,645,179) has not been accrued for legacy income because it did not meet all the conditions for recognition. These are amounts where notification has been received, but the executors have yet to establish that there are sufficient assets and liabilities in the estate, after settling any liabilities, to pay the legacy.

### 3. Expenditure

	Direct costs of activities £'000	Grant funding of activities £'000	Allocation of support costs £'000	2019 £'000	2018 Restated £'000
<b>Costs of generating funds</b>					
<b>(a) Costs of generating voluntary income</b>					
Donations and gifts	2,992	-	384	3,376	4,095
Legacies	3,388	-	400	3,788	2,032
Grants	1,694	-	427	2,121	1,588
Lotteries and raffles	6,434	-	205	6,639	7,039
	<b>14,508</b>	<b>-</b>	<b>1,416</b>	<b>15,924</b>	<b>14,754</b>
<b>(b) Costs of generating trading income</b>					
Charity shops	37,602	-	3,161	40,763	41,841
Financial services	11,267	-	1,336	12,603	19,739
Independent Living Solutions	2,070	-	272	2,342	2,462
Other trading costs	-	-	-	-	78
	<b>50,939</b>	<b>-</b>	<b>4,769</b>	<b>55,708</b>	<b>64,120</b>
<b>(c) Charitable activities</b>					
Campaign and research	6,436	178	2,064	8,678	7,342
Information and advice	6,479	998	1,845	9,322	10,677
Health and Care	1,882	37	320	2,239	4,476
Wellbeing	7,427	3,060	966	11,453	11,213
Support the network	6,343	5,454	970	12,767	20,423
International	993	11,496	478	12,967	15,048
	<b>29,560</b>	<b>21,223</b>	<b>6,643</b>	<b>57,426</b>	<b>69,179</b>
<b>Total expenditure</b>	<b>95,007</b>	<b>21,223</b>	<b>12,828</b>	<b>129,058</b>	<b>148,053</b>

## 4. Support costs

	Directorate £'000	Finance and legal £'000	Office management £'000	IT £'000	Human resources £'000	Property £'000	2019 Total £'000
<b>Costs of generating funds</b>							
<b>Costs of generating voluntary income</b>							
Donations and gifts	22	109	87	102	57	-	377
Legacies	22	116	88	102	58	-	386
Lotteries and raffles	9	117	22	46	9	-	203
Grants	23	147	90	103	58	-	421
	<b>76</b>	<b>489</b>	<b>287</b>	<b>353</b>	<b>182</b>	<b>-</b>	<b>1,387</b>
<b>Activities for generating trading funds</b>							
Charity shops	147	600	207	378	1,795	-	3,127
Financial services	73	502	283	337	131	-	1,326
Independent living solutions	12	169	17	48	10	-	256
Other trading costs	-	-	-	-	-	-	-
	<b>232</b>	<b>1,271</b>	<b>507</b>	<b>763</b>	<b>1,936</b>	<b>-</b>	<b>4,709</b>
<b>Charitable activities</b>							
Campaign and research	80	331	523	429	677	-	2,040
Information and advice	71	324	459	376	591	-	1,821
Health and care	12	53	75	61	95	-	296
Wellbeing	37	165	238	195	307	-	942
Support the network	31	294	200	163	256	-	944
International	32	128	61	169	65	-	455
	<b>263</b>	<b>1,295</b>	<b>1,556</b>	<b>1,393</b>	<b>1,991</b>	<b>-</b>	<b>6,498</b>
<b>Governance costs</b>							
	22	135	17	43	17	-	234
<b>Total support costs</b>	<b>593</b>	<b>3,190</b>	<b>2,367</b>	<b>2,552</b>	<b>4,126</b>	<b>-</b>	<b>12,828</b>

Directorate £'000	Finance and legal £'000	Office management £'000	IT £'000	Human resources £'000	Property £'000	2018 Total Restated £'000
12	69	104	151	54	-	390
7	72	103	151	54	-	387
0	2	2	3	1	-	8
2	120	105	151	54	-	432
<b>21</b>	<b>263</b>	<b>314</b>	<b>456</b>	<b>163</b>	<b>-</b>	<b>1,217</b>
86	588	136	676	1,836	548	3,870
73	964	421	1,109	173	-	2,740
-	79	16	25	4	-	124
4	41	2	12	1	-	60
<b>163</b>	<b>1,672</b>	<b>575</b>	<b>1,822</b>	<b>2,014</b>	<b>548</b>	<b>6,794</b>
87	566	904	764	489	20	2,830
48	421	659	560	358	15	2,061
31	344	538	458	292	12	1,675
28	466	487	416	267	11	1,675
3	146	155	130	84	3	521
4	96	186	180	50	5	521
<b>201</b>	<b>2,039</b>	<b>2,929</b>	<b>2,508</b>	<b>1,540</b>	<b>66</b>	<b>9,283</b>
121	374	41	36	20	18	610
<b>506</b>	<b>4,348</b>	<b>3,859</b>	<b>4,822</b>	<b>3,737</b>	<b>632</b>	<b>17,904</b>

Cost allocation includes an element of judgement. Costs are allocated directly where possible and calculations have been made on a consistent basis year on year.

Central support costs are allocated as follows:

- Directorate: Estimated staff time and allocation based on headcount.
- Finance and legal: Estimated staff time.
- Office management: Floor space used and headcount.
- IT: Headcount.
- Human resources: Headcount.

Governance costs are made up of the following	2019 Total £'000	2018 Total £'000
Internal audit	86	90
External audit	160	175
Trustees' expenses	2	6
Trustees' indemnity insurance	12	7
Trustees' conference and meeting costs	-	11
Apportionment of Directors' cost (based on time spent)	5	103
Other governance cost including company secretariat	173	343
	<b>438</b>	<b>735</b>
Element contained within support costs	234	610
Other governance costs	204	125
	<b>438</b>	<b>735</b>

## 5. Staff costs and staff numbers

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Salaries and wages	<b>37,836</b>	38,298	<b>8,398</b>	8,446
Social security costs	<b>2,969</b>	3,040	<b>800</b>	800
Pension costs	<b>4,034</b>	3,500	<b>2,150</b>	1,564
	<b>44,839</b>	<b>44,838</b>	<b>11,348</b>	<b>10,810</b>

Total redundancy cost for 2019 was £500,580 for the Group (2018: £785,744) and £nil for the Charity (2018: £675,104). Termination payments are comprised of voluntary and compulsory redundancy and also settlement scheme payments. Payments are recognised in staff costs once they are quantifiable and upon communication of intention to pay.

Unpaid redundancy at the balance sheet date was £20,000 (2018: £747,000).

At 31 March 2019 there are 1,806 staff members in the defined contribution schemes (2018: 1,833 members). Employer's contribution to the schemes totalled £3,643,265 in the year (2018: £3,238,938). Guaranteed Minimum Pension equalisation in 2019 totalled £574,000 and is included within pension costs.

The average monthly headcount for the Group, including all subsidiaries, was 2,002 (2018: 2,088).

The average number of employees, calculated on a full time equivalent (FTE) basis

	Group 2019	Group 2018
Age UK Charity	233	227
Subsidiary Charities	120	92
Trading companies	1,115	1,184
	<b>1,468</b>	<b>1,503</b>

Number of staff receiving remuneration above £60,000	Charitable activities 2019	Trading activities 2019	Total Group 2019	Charitable activities 2018	Trading activities 2018	Total Group 2018
£60,000 – £70,000	7.0	6.0	13.0	11.2	4.8	16.0
£70,001 – £80,000	3.7	4.3	8.0	2.7	4.3	7.0
£80,001 – £90,000	3.8	5.2	9.0	5.5	4.5	10.0
£90,001 – £100,000	5.0	2.0	7.0	3.3	3.7	7.0
£100,001 – £110,000	0.0	2.0	2.0	0.6	0.4	1.0
£110,001 – £120,000	0.2	1.8	2.0	0.0	0.0	0.0
£120,001 – £130,000	0.8	0.2	1.0	0.0	1.0	1.0
£130,001 – £140,000	0.0	0.0	0.0	1.2	1.8	3.0
£140,001 – £150,000	1.0	2.0	3.0	0.0	0.0	0.0
£160,001 – £170,000	0.0	0.0	0.0	0.0	1.0	1.0
<b>Total banded employees</b>	<b>21.5</b>	<b>23.5</b>	<b>45.0</b>	<b>24.5</b>	<b>21.5</b>	<b>46.0</b>

There are a number of staff in Age UK who provide support to both the charitable and trading activities of the Group. These staff are employed by Age UK Trading CIC. The salaries of these staff are recharged to the relevant part of the Group in proportion to the amount of time spent on work to support that part of the Group. Other staff work exclusively for either the charitable or trading activities of the Group.

The two columns on the left-hand side of the above table give a breakdown of how the time of the 45 staff who received more than £60,000 in 2019 (2018: 46) was divided between the charitable and commercial activities of the Group.

The table shows that no one whose work was exclusively charitable was paid a salary of more than £100,000.

Of the 8 staff who were paid more than £100,000, 75 per cent of their time was spent on the trading activities of the Group, generating profits available to the charity.

There were payments for redundancies or loss of office of £167,875 (2018: £40,000) to staff receiving remuneration of over £60,000.

### Remuneration in respect of key management personnel

Key management personnel for the Group have been determined to be the Executive Directors and the Trustees (see pages 80 and 81).

There were 8 Executive Directors who served in the year (2018: 9).

Remuneration in respect of Executive Directors including pension costs and employer national insurance was £1,139,842 of which £99,311 was employers' national insurance contributions (2018: £1,200,265 of which £117,789 was employers' national insurance contributions).

## 6. Trustee emoluments

The Trustees received no remuneration for their services to the Charity. One Trustee, Mr S E Purdy, received a Director's fee of £20,000 from Age UK Enterprises for his services as a Non-Executive Director of that business, which is a subsidiary company of Age UK. Mr Purdy has served as a Director of Age UK Enterprises since April 2016. Age UK Enterprises is regulated by the Financial Conduct Authority and Mr Purdy has significant financial services experience. In February 2018, Mr Purdy was also appointed as a Trustee of Age UK and Chair of its Audit and Risk Committee. He received no remuneration for his service in either of these two roles. The aggregated amount of expenses reimbursed to three Trustees during the year was £2,213 (2018: £6,162, six Trustees).

The nature of Trustees' expenses incurred was travel, accommodation and subsistence.

Indemnity insurance is provided for Trustees. Premiums paid during the year amounted to £11,740 (2018: £7,184).

## 7. Net income

Net income stated after charging	2019 £'000	2018 £'000
<b>Depreciation and amortisation of tangible and intangible fixed assets</b>	3,453	3,914
Trustees' indemnity insurance	12	7
Trustees' reimbursed expenses	2	6
<b>Interest payable</b>	63	69
<b>External Auditor's remuneration</b>		
Audit of these financial statements	75	77
Audit of subsidiary companies	85	98
Tax compliance	35	43
<b>Operating lease rentals – buildings</b>	7,363	7,889
<b>Operating lease rentals – other</b>	424	357

## 8. Tangible fixed assets

Group	Freehold and long-leasehold £'000	Gifted Housing £'000	Short leasehold £'000	Motor vehicles £'000	Equipment, fixtures and fittings £'000	Total £'000
<b>Cost</b>						
Balance brought forward – restated	1,938	6,269	13,434	90	12,798	34,529
Additions in year	23	-	1,535	-	186	1,744
Disposals in year	(1,017)	-	-	(26)	(107)	(1,150)
<b>At 31 March 2019</b>	<b>944</b>	<b>6,269</b>	<b>14,969</b>	<b>64</b>	<b>12,877</b>	<b>35,123</b>
<b>Depreciation</b>						
Balance brought forward – restated	(1,079)	(448)	(11,025)	(77)	(7,602)	(20,231)
Charge for the year	(23)	(94)	(652)	-	(2,684)	(3,453)
Disposals in year	265	-	-	13	108	386
<b>At 31 March 2019</b>	<b>(837)</b>	<b>(542)</b>	<b>(11,677)</b>	<b>(64)</b>	<b>(10,178)</b>	<b>(23,298)</b>
<b>Net book value at 31 March 2019</b>	<b>107</b>	<b>5,727</b>	<b>3,292</b>	<b>-</b>	<b>2,699</b>	<b>11,825</b>
<b>Net book value at 31 March 2018 – restated</b>	<b>859</b>	<b>5,821</b>	<b>2,409</b>	<b>13</b>	<b>5,196</b>	<b>14,298</b>

The Charity	Freehold and long-leasehold £'000	Gifted Housing £'000	Short leasehold £'000	Motor vehicles £'000	Equipment, fixtures and fittings £'000	Total £'000
<b>Cost</b>						
Balance brought forward – restated	72	6,269	13,434	-	11,188	30,963
Additions in year	-	-	1,535	-	135	1,670
<b>At 31 March 2019</b>	<b>72</b>	<b>6,269</b>	<b>14,969</b>	<b>-</b>	<b>11,323</b>	<b>32,633</b>
<b>Depreciation</b>						
Balance brought forward – restated	(6)	(448)	(11,025)	-	(6,022)	(17,501)
Charge for the year	-	(95)	(652)	-	(2,648)	(3,395)
<b>At 31 March 2019</b>	<b>(6)</b>	<b>(543)</b>	<b>(11,677)</b>	<b>-</b>	<b>(8,670)</b>	<b>(20,896)</b>
<b>Net book value at 31 March 2019</b>	<b>66</b>	<b>5,726</b>	<b>3,292</b>	<b>-</b>	<b>2,653</b>	<b>11,737</b>
<b>Net book value at 31 March 2018 – restated</b>	<b>66</b>	<b>5,821</b>	<b>2,409</b>	<b>-</b>	<b>5,166</b>	<b>13,462</b>

## Depreciation charge for the year for leased assets

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Depreciation charge for the year	-	547	-	-
Net book value	-	-	-	-

## The net book value of freehold and long-leasehold properties comprises

Fixed assets building value	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Freehold interest, including Gifted Housing	3,403	4,391	3,361	3,598

Fixed assets land value	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Freehold interest, including Gifted Housing	2,431	2,289	2,431	2,289

## 9. Investments

Investments	Listed and unlisted investments £'000	Investment property £'000	Group £'000	Charity £'000
Market value at 1 April 2018 (*restated)	56,958	12,333*	69,291*	69,291*
Additions	31,190	-	31,190	31,190
Disposals	(33,816)	(843)	(34,659)	(34,659)
Realised gain on disposals	476	(133)	343	343
Unrealised revaluation gain	1,246	1,410	2,656	2,656
<b>Market value at 31 March 2019</b>	<b>56,054</b>	<b>12,767</b>	<b>68,821</b>	<b>68,821</b>
Historic value at 31 March 2019	57,215	-	57,215	57,215

Investment properties are properties donated to Age UK through the Gifted Housing programme or received as a legacy. When these properties are retained by the Charity instead of being sold they are classified as investment properties.

As these properties are acquired at a nil cost to the organisation they do not carry a historic value.

The investment property of the Charity was revalued by an independent professional valuer as at 31 March 2019.

## Listed and unlisted investments comprise of the following

		2019 £'000	2018 £'000
<b>Sarasin &amp; Partners Long and Short Term Investments</b>			
Listed investments	– Fixed interest	5,972	25,598
	– Global equities	15,784	16,944
	– Alternative assets	4,090	5,191
		<b>25,846</b>	<b>47,733</b>
Unlisted investments	– Liquid assets	974	6,885
<b>Total Sarasin long term investments</b>		<b>26,820</b>	<b>54,618</b>
<b>Goldman Sachs Investment Management Long Term Investments</b>			
Listed investments	– Fixed interest	9,520	-
	– Global equities	12,973	-
	– Alternative assets	4,124	-
		<b>26,617</b>	-
Unlisted investments	– Liquid assets	134	-
<b>Total Goldman Sachs long term investments</b>		<b>26,752</b>	-
<b>Endowment Funds</b>			
Listed investments	– Fixed interest	337	331
	– Global equities	1,641	1,466
	– Alternative assets	317	401
		<b>2,295</b>	<b>2,198</b>
Unlisted investments	– Liquid assets	120	47
<b>Total Sarasin Endowment Fund investments</b>		<b>2,415</b>	<b>2,245</b>
Other listed investments:	– Other investments	68	96
<b>Total value of listed and unlisted investments</b>		<b>56,054</b>	<b>56,959</b>
Total value of listed investments		54,826	50,027
Total value of unlisted investments		1,228	6,932

## Age UK has the following subsidiary charities and trading companies

Subsidiary undertaking	Principal activities	Ownership %	Company or Charity registration no
<b>Trading subsidiaries</b>			
<b>Subsidiaries of Age UK</b>			
HelpAge International UK	To raise funds for, and carry out Age UK's international charitable work	100	07897113
Age UK Trading CIC	To carry out trading activities to generate funds for Age UK.	100	01102972
Age UK Suffolk	To raise funds and carry out charitable activities within the Suffolk region	100	04150543
Age Cymru	To raise funds and carry out charitable activities within Wales	100	06837284
Age UK Local Programmes Lottery CIC	To raise funds through lotteries	100	11335613
Age UK Information and Advice Lottery CIC	To raise funds through lotteries	100	11335248
Age UK Education and Research Lottery CIC	To raise funds through lotteries	100	11372685
<b>Subsidiaries of Age UK Trading CIC</b>			
Age UK Enterprises Ltd	Insurance and other services for older people	100	3156159
<b>Subsidiaries of Age UK Enterprises Ltd</b>			
Age Concern Funeral Services Ltd		100	2804368
<b>Subsidiaries of Age UK Suffolk</b>			
Age UK Suffolk Trading Limited	Trading subsidiary to generate funds for Age UK Suffolk	100	3052822
<b>Subsidiaries of Age Cymru</b>			
Age Cymru Enterprises Limited	Trading subsidiary to generate funds for Age Cymru	100	6776928
<b>Non trading subsidiaries</b>			
<b>Subsidiaries of Age UK</b>			
Help the Aged	Residential care activities for the elderly & disabled	100	01263446
<b>Subsidiaries of Age UK Trading CIC</b>			
Age Concern Holdings Ltd	Non-trading company	100	01102971
Age Cymru Retail Ltd	Retail sale of other second-hand goods in stores	100	08010768
<b>Subsidiaries of Age Concern Holdings Ltd</b>			
Age Care and Leisure Services Ltd	Non-trading company	100	02716181
Age Concern Enterprises (Cymru) Ltd	Non-trading company	100	05744511
Age Concern Enterprises Ltd	Non-trading company	100	06776957
Age Concern Financial Partnerships Ltd	Non-trading company	100	03819694
Age Concern Financial Solutions Ltd	Other business support service activities not elsewhere classified	100	05260600
Age Concern Insurance Services Ltd	Non-trading company	100	02035367
Age Concern Ltd	Dormant Company	100	05425966
Age Concern Partnership Wales Ltd	Non-trading company	100	07471664
Age Concern Trading Ltd	Dormant Company	100	05522083
Age Concern Trust Corporation	Non-trading company	100	02547188
Age UK Services Ltd	Other service activities not elsewhere classified	100	06838416
Help the Aged Mail Order Ltd	Non-trading company	100	00893588
Help the Aged Trading Ltd	Non-trading company	100	02444170
intune Group Ltd	Non-trading company	100	02489376
RIA Trading Ltd	Non-trading company	100	03063659

Subsidiary undertaking	Principal activities	Ownership %	Company or Charity registration no
<b>Non trading subsidiaries</b>			
<b>Subsidiary of Age Cymru</b>			
Wales Council on Ageing	Linked charity – also known as Age Concern Cymru	100	1128436-1
Age Cymru Trading Limited	Other retail sale not in stores, stalls or markets	100	08011995
<b>Subsidiary of intune group Ltd</b>			
intune Financial Services Ltd	Company is dormant	100	05989153
intune Services Ltd	Company is dormant	100	05989143
<b>Subsidiary of Help the Aged Mail Order Ltd</b>			
Age UK Holidays	Company is dormant	100	03218466
HtA Solutions Ltd	Company is dormant	100	03172472

There have been no changes to the subsidiary charities and trading companies in the period. All the subsidiary trading companies gift aid their taxable profits to the Charity, where cash flow and available reserves allow.

## 10. Stock

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Finished goods and goods for resale	499	618	-	-
	<b>499</b>	<b>618</b>	<b>-</b>	<b>-</b>

The amount of stock recognised as an expense in the income and expenditure account for the year was £1,619,894 (2018: £1,608,091).

## 11. Debtors

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Trade debtors	2,918	4,369	1,260	1,345
Amounts due from group undertakings	-	-	2,203	5,721
Other debtors	892	1,097	594	73
Prepayments and accrued income	13,899	10,965	12,339	9,982
	<b>17,709</b>	<b>16,431</b>	<b>16,396</b>	<b>17,121</b>

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

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Trade creditors	(3,338)	(3,742)	(3,273)	(2,862)
Amounts due to group undertakings	-	-	(7,192)	(9,334)
Tax and social security payable	(1,036)	(1,059)	(975)	(986)
Corporation tax payable	(387)	-	-	-
Accruals for grants payable	-	(551)	-	(551)
Other creditors	(540)	(724)	(408)	(510)
Loans	(4,851)	(4,167)	(4,851)	(4,167)
Finance lease obligations	(111)	(97)	(111)	(97)
Accruals and deferred income	(12,267)	(12,339)	(6,770)	(5,767)
	<b>(22,530)</b>	<b>(22,679)</b>	<b>(23,580)</b>	<b>(24,274)</b>

### The movements in deferred income are analysed as follows

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Deferred income at 1 April	(1,679)	(7,549)	(3)	(44)
Amounts released from previous years	1,679	7,549	3	44
Incoming resources deferred in the year	(2,493)	(1,679)	(68)	(3)
<b>Deferred income at 31 March</b>	<b>(2,493)</b>	<b>(1,679)</b>	<b>(68)</b>	<b>(3)</b>

Deferred income as at 31 March 2019 is mainly made up of the following items: sales of lottery tickets for future draws £1,408,765 (2018: £1,171,537); insurance commission paid in advance £732,866 (2018: £376,499).

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

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Loans payable	(1,476)	(1,499)	(1,476)	(1,499)
Other creditors	(1)	(6)	(1)	(6)
Finance lease obligations	(75)	(188)	(75)	(188)
Rent free period	(926)	(1,030)	(926)	(1,030)
	<b>(2,478)</b>	<b>(2,723)</b>	<b>(2,478)</b>	<b>(2,723)</b>
<b>Creditors due after one year</b>				
1-2 years	(1,413)	(1,828)	(1,413)	(1,828)
2-5 years	(1,064)	(889)	(1,064)	(889)
Over 5 years	(1)	(6)	(1)	(6)
	<b>(2,478)</b>	<b>(2,723)</b>	<b>(2,478)</b>	<b>(2,723)</b>

## 14. Provisions for liabilities and charges

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Provisions at 1 April	(11,707)	(8,405)	(8,112)	(6,060)
Utilised in the year	2,259	1,936	1,556	1,624
Unutilised and reversed in the year	69	1,151	-	-
Charged to statement of financial activities	(478)	(6,389)	(2,713)	(3,676)
<b>Provisions at 31 March</b>	<b>(9,857)</b>	<b>(11,707)</b>	<b>(9,269)</b>	<b>(8,112)</b>

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Provisions due within one year	(2,233)	(6,774)	(1,645)	(3,179)
Provisions due more than one year	(7,624)	(4,933)	(7,624)	(4,933)
	<b>(9,857)</b>	<b>(11,707)</b>	<b>(9,269)</b>	<b>(8,112)</b>

### The provision for liabilities and charges as at 31 March 2019 is made up of the following:

- To cover Age UK's commitment to provide care and property maintenance for beneficiaries who have donated real estate to the Charity £5,719,821 (2018: £4,933,302). This is a long term provision updated at concurrent year ends.
- Insurance policy cancellations and lapses £210,573 (2018: £392,716). The provision will be settled in FY19/20.
- Retail Gift Aid provision £2,607 (2018: £2,541). The provision will be settled in FY19/20.
- Legacy provision £50,000 (2018: £120,000) against legacies deemed doubtful. The provision will be settled in FY19/20.
- Holiday pay provision £887,420 (2018: £867,742). The provision will be settled in FY19/20.
- Provision for dilapidations work across the retail estate £2,000,264 (2018: £1,223,000).
- Training centres onerous contracts £32,000 (2018: £116,742). The provision will be settled in FY19/20.
- Retail estate onerous contracts £107,698 (2018: £258,000). The provision will be settled in FY19/20.
- Redundancy provision for the Retail estate £20,001 (2018: £110,823). The provision will be settled in FY19/20.
- Cost associated with the closure of 'The Wireless' digital radio station £681,470 (2018: £981,000). The provision will be settled in the period to 30 November 2023.
- 'Charityshare' exit costs £55,448 (2018: £913,388). The provision will be settled in FY19/20.
- Claritas supporting the existing customer base £47,000 following their entering administration (2018: £nil). The provision will be settled in FY19/20.
- Group restructuring costs £42,634 (2018: £1,333,363). The provision will be settled in FY19/20.

## 15. Financial instruments

	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
Assets – amortised	19,316	19,811	14,905	15,382
Assets at fair value	56,053	56,958	56,053	56,958
Liabilities – amortised	(21,510)	(23,080)	(24,615)	(26,150)

The charity and its subsidiaries hold 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 the present value of future cash flows (amortised cost). No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and debtors excluding prepayments.

Financial assets held at fair value include investments.

Financial liabilities held at amortised cost comprise short and long term creditors excluding deferred income and taxation payable.



## 16. Movement in funds

The Group	31 March 2017 £'000	2018 – restated				31 March 2018 £'000	
		Income £'000	Expenditure £'000	Unrealised gains and losses £'000	Transfers £'000		
<b>Endowed funds</b>							
Charity of C E Saunders	A	1,023	-	-	30	-	1,053
Gillingham	A	1,126	-	-	34	-	1,160
Miss E Lipson Trust	A	184	-	-	2	-	186
ACE Legacy endowment fund		50	-	-	-	-	50
<b>Total endowed funds</b>		<b>2,383</b>	<b>-</b>	<b>-</b>	<b>66</b>	<b>-</b>	<b>2,449</b>
<b>Restricted funds United Kingdom</b>							
Campaign and research		-	197	(167)	-	44	74
Information and advice		370	2,021	(2,815)	-	896	472
Wellbeing		25	7,097	(5,877)	-	112	1,357
Support the network		2,903	2,498	(199)	-	(801)	4,401
<b>Total United Kingdom</b>	<b>B</b>	<b>3,298</b>	<b>11,813</b>	<b>(9,058)</b>	<b>-</b>	<b>251</b>	<b>6,304</b>
<b>International</b>							
Development		175	6,757	(4,926)	-	-	2,006
Emergency relief		3	2,396	(2,351)	-	-	48
Other international projects		-	2,054	(54)	-	-	2,000
<b>Total international</b>	<b>C</b>	<b>178</b>	<b>11,207</b>	<b>(7,331)</b>	<b>-</b>	<b>-</b>	<b>4,054</b>
<b>Total restricted funds</b>		<b>3,476</b>	<b>23,020</b>	<b>(16,389)</b>	<b>-</b>	<b>251</b>	<b>10,358</b>
<b>Total restricted and endowed funds</b>		<b>5,859</b>	<b>23,020</b>	<b>(16,389)</b>	<b>66</b>	<b>251</b>	<b>12,807</b>
<b>Unrestricted funds</b>							
Fixed asset funds		9,488	-	-	-	(123)	8,365
Investment property reserve		10,947	-	-	-	1,386	12,333
General Funds		40,808	91,060	(94,635)	(597)	(5,342)	35,005
Non-Charitable Trading Funds		1,835	35,500	(36,969)	-	297	663
<b>Unrestricted Funds excluding Pension Reserve</b>		<b>66,788</b>	<b>126,560</b>	<b>(131,604)</b>	<b>(597)</b>	<b>(3,782)</b>	<b>57,365</b>
Pension reserve		(23,058)	-	(959)	2,399	3,531	(18,087)
<b>Total funds</b>		<b>49,589</b>	<b>149,580</b>	<b>(148,952)</b>	<b>1,868</b>	<b>-</b>	<b>52,085</b>

See page 120 for notes to movements in funds.

Opening restatement £'000	2019					31 March 2019 £'000
	1 April 2018 £'000	Income £'000	Expenditure £'000	Unrealised gains and losses £'000	Transfers £'000	
					<b>D</b>	<b>E</b>
-	1,053	-	-	67	-	1,120
-	1,160	-	-	74	-	1,234
-	186	-	-	7	-	193
-	50	-	-	-	-	50
-	<b>2,449</b>	-	-	<b>148</b>	-	<b>2,597</b>
27	101	349	(316)	-	(74)	60
308	780	4,109	(3,559)	-	(281)	1,049
696	2,053	5,538	(5,257)	-	(122)	2,212
(1,189)	3,212	1,858	(1,561)	-	13	3,522
<b>(158)</b>	<b>6,146</b>	<b>11,854</b>	<b>(10,693)</b>	-	<b>(464)</b>	<b>6,843</b>
380	2,386	6,140	(4,658)	-	(1,244)	2,624
130	178	762	(906)	-	-	33
72	2,072	946	(849)	-	(808)	1,361
<b>582</b>	<b>4,636</b>	<b>7,848</b>	<b>(6,413)</b>	-	<b>(2,052)</b>	<b>4,019</b>
<b>424</b>	<b>10,782</b>	<b>19,702</b>	<b>(17,106)</b>	-	<b>(2,516)</b>	<b>10,862</b>
<b>424</b>	<b>13,231</b>	<b>19,702</b>	<b>(17,106)</b>	<b>148</b>	<b>(2,516)</b>	<b>13,459</b>
5,838	9,365	-	-	-	(3,260)	6,105
162	12,333	-	-	-	435	12,768
(6,720)	34,580	83,063	(90,163)	3,033	1,788	32,303
297	663	25,016	(20,594)	-	(29)	5,055
<b>(424)</b>	<b>56,941</b>	<b>108,079</b>	<b>(110,757)</b>	<b>3,033</b>	<b>(1,067)</b>	<b>56,231</b>
-	(18,087)	-	(1,583)	3,840	3,583	(12,247)
-	<b>52,085</b>	<b>127,781</b>	<b>(129,446)</b>	<b>7,021</b>	-	<b>57,443</b>

## 16. Movement in funds (continued)

Age UK the Charity	31 March 2017 £'000	2018 – restated				31 March 2018 £'000
		Income £'000	Expenditure £'000	Unrealised gains and losses £'000	Transfers £'000	
<b>Endowed funds</b>						
Charity of C E Saunders	1,023	-	-	30	-	1,053
Gillingham	1,126	-	-	34	-	1,160
Miss E Lipson Trust	184	-	-	2	-	186
ACE Legacy endowment fund	50	-	-	-	-	50
<b>Total endowed funds</b>	<b>2,383</b>	<b>-</b>	<b>-</b>	<b>66</b>	<b>-</b>	<b>2,449</b>
<b>Restricted funds</b>						
<b>United Kingdom</b>						
Campaign and research	-	-	(39)	-	63	24
Information and advice	370	1,876	(2,669)	-	896	473
Wellbeing	11	6,584	(5,498)	-	132	1,229
Support the network	2,918	2,050	(107)	-	(584)	4,277
<b>Total United Kingdom</b>	<b>3,299</b>	<b>10,510</b>	<b>(8,313)</b>	<b>-</b>	<b>(507)</b>	<b>6,003</b>
<b>International</b>						
Development	145	1,898	(101)	-	-	1,942
Emergency relief	3	316	(305)	-	(3)	12
Other international projects	-	2,054	(54)	-	-	2,000
<b>Total international</b>	<b>148</b>	<b>4,268</b>	<b>(460)</b>	<b>-</b>	<b>(3)</b>	<b>3,953</b>
<b>Total restricted funds</b>	<b>3,447</b>	<b>14,778</b>	<b>(8,773)</b>	<b>-</b>	<b>504</b>	<b>9,956</b>
<b>Total restricted and endowed funds</b>	<b>5,830</b>	<b>14,778</b>	<b>(8,773)</b>	<b>66</b>	<b>504</b>	<b>12,405</b>
<b>Unrestricted funds</b>						
Fixed asset funds	9,488	-	-	-	(5,961)	3,527
Investment property reserve	12,156	-	-	177	-	12,156
General Funds	40,864	79,234	(83,457)	(2,426)	(1,889)	39,991
<b>Unrestricted Funds excluding Pension Reserve</b>	<b>66,218</b>	<b>79,234</b>	<b>(83,457)</b>	<b>(2,249)</b>	<b>(4,071)</b>	<b>55,674</b>
Pension reserve	(22,357)	-	(939)	2,249	3,567	(17,480)
<b>Total funds</b>	<b>49,691</b>	<b>94,012</b>	<b>(93,169)</b>	<b>66</b>	<b>-</b>	<b>50,599</b>

Opening restatement £'000	2019					31 March 2019 £'000
	1 April 2018 £'000	Income £'000	Expenditure £'000	Unrealised gains and losses £'000	Transfers £'000	
-	1,053	-	-	67	-	1,120
-	1,160	-	-	74	-	1,234
-	186	-	-	7	-	193
-	50	-	-	-	-	50
-	<b>2,449</b>	-	-	<b>148</b>	-	<b>2,597</b>
36	60	89	(59)	-	(81)	9
306	779	3,788	(3,247)	-	(281)	1,039
511	1,740	4,750	(4,378)	-	(107)	2,004
(1,174)	3,103	1,721	(1,429)	-	(13)	3,382
<b>(321)</b>	<b>5,682</b>	<b>10,349</b>	<b>(9,113)</b>	-	<b>(484)</b>	<b>6,434</b>
402	2,343	1,779	(1,786)	-	-	2,336
162	173	205	(356)	-	-	23
72	2,072	52	(767)	-	-	1,357
<b>636</b>	<b>4,589</b>	<b>2,036</b>	<b>(2,909)</b>	-	-	<b>3,716</b>
<b>315</b>	<b>10,271</b>	<b>12,385</b>	<b>(12,021)</b>	-	<b>485</b>	<b>10,150</b>
<b>315</b>	<b>12,720</b>	<b>12,385</b>	<b>(12,021)</b>	<b>148</b>	<b>498</b>	<b>12,747</b>
5,002	8,529	-	-	-	(2,512)	6,017
177	12,333	-	-	-	435	12,768
(5,494)	34,497	72,318	(76,970)	3,033	(855)	32,023
<b>(315)</b>	<b>55,359</b>	<b>72,318</b>	<b>(76,970)</b>	<b>3,033</b>	<b>(2,932)</b>	<b>50,809</b>
-	(17,480)	-	(1,522)	3,622	3,446	(11,934)
-	<b>50,599</b>	<b>84,703</b>	<b>(90,513)</b>	<b>6,803</b>	<b>30</b>	<b>51,621</b>

## 16. Movement in funds (continued)

Help Age International UK	31 March 2017 £'000	2018 – restated				31 March 2018 £'000
		Income £'000	Expenditure £'000	Unrealised gains and losses £'000	Transfers £'000	
<b>International</b>						
Development	31	5,129	(5,095)	-	-	64
Emergency relief	-	2,387	(2,352)	-	-	36
Other international projects	-	54	(54)	-	-	-
<b>Total international</b>	<b>31</b>	<b>7,570</b>	<b>(7,501)</b>	<b>-</b>	<b>-</b>	<b>100</b>
<b>Total restricted funds</b>	<b>31</b>	<b>7,570</b>	<b>(7,501)</b>	<b>-</b>	<b>-</b>	<b>100</b>
<b>Unrestricted funds</b>						
General Funds	-	6,911	(6,980)	-	-	(69)
<b>Unrestricted Funds</b>	<b>-</b>	<b>6,911</b>	<b>(6,980)</b>	<b>-</b>	<b>-</b>	<b>(69)</b>
<b>Total funds</b>	<b>31</b>	<b>14,481</b>	<b>(14,481)</b>	<b>-</b>	<b>-</b>	<b>31</b>

**A:** The Age UK Endowment Funds – CE Saunders, Edna Lipson and the Gillingham Fund – are funds which were originally gifted to Age UK and are allowed to be invested in a strategy designed to create income, all of which is paid to Age UK, but where the actual principal gift cannot be touched or realised to cash and spent by Age UK.

**B:** Consistent with the charity's primary activities as set out in the annual report.

**C:** Consistent with the charity's primary activities as set out in the annual report and mainly comprised of emergency relief and rehabilitation and development projects.

**D:** The transfer of restricted funds to unrestricted funds in the year represents the release of surplus balances where the donor's conditions for the use of the income have been met.

**E:** Selected funds with closing balances greater than £200k at 31 March 2019 include:

Opening restatement £'000	2019					
	1 April 2018 £'000	Income £'000	Expenditure £'000	Unrealised gains and losses £'000	Transfers £'000	31 March 2019 £'000
(62)	2	6,519	(5,030)		(1,522)	31
(33)	3	879	(873)		(41)	-
-	-	848	(849)		-	-
<b>(95)</b>	<b>5</b>	<b>8,246</b>	<b>(6,752)</b>	<b>-</b>	<b>(1,563)</b>	<b>31</b>
<b>(95)</b>	<b>5</b>	<b>8,246</b>	<b>(6,752)</b>	<b>-</b>	<b>(1,563)</b>	<b>31</b>
95	26	5,711	(7,205)		1,563	-
<b>95</b>	<b>26</b>	<b>5,711</b>	<b>(7,205)</b>	<b>-</b>	<b>1,563</b>	<b>-</b>
<b>-</b>	<b>31</b>	<b>13,957</b>	<b>(13,957)</b>	<b>-</b>	<b>-</b>	<b>31</b>

### Information and advice funds:

Homelessness Protecting Older People: Supporting older people who are homeless or threatened with homelessness. £491k

Later Life Goals (Masonic Trust): Tackling loneliness, disadvantage and financial hardship for 10,000 older people. £351k

### Wellbeing funds:

Joining Forces (Ministry of Defence): Combat social isolation and loneliness among Armed Forces veterans. £219k

One Digital - Portfolio Management (BIG): Develop long term sustainability for digital inclusion and skills support. £323k

Digital Care Passport: Digital Care Passport: Programme to deliver CRM application for Age UK's brand partner network. £226k

### Support the network and other funds:

Senior Safety Elder Abuse: For the prevention of, or protection from, abuse against the elderly. £441k

The Craig & Jill Thomas Fund: Fund name prescribed. Funds solely for the a specific project(s) and not for general administrative costs. £663k

### International funds:

Legacy Estate of Mrs Harvey: Relief of diseases/opthalmic problems for the elderly poor in Africa or Asia, excluding HIV, Aids and pandemic infections. £1,233k

## 17. Analysis of group and charity net assets between funds

The Group	2019			2018		
	Unrestricted £'000	Restricted and endowed £'000	Total £'000	Unrestricted £'000	Restricted and endowed £'000	Total £'000
<b>Fixed assets</b>						
Tangible fixed assets	11,825	-	11,825	14,298	-	14,298
Investments	66,407	2,414	68,821	67,046	2,245	69,291
<b>Current assets</b>						
Stock	499	-	499	618	-	618
Debtors	17,709	-	17,709	16,431	-	16,431
Cash at bank and in hand	(5,340)	11,041	5,701	(3,919)	10,562	6,643
<b>Liabilities</b>						
Current liabilities	(22,530)	-	(22,530)	(22,679)	-	(22,679)
Long-term liabilities	(2,478)	-	(2,478)	(2,723)	-	(2,723)
Provisions for liabilities and charges	(9,857)	-	(9,857)	(11,707)	-	(11,707)
Defined-benefit pension scheme liability	(12,247)	-	(12,247)	(18,087)	-	(18,087)
	<b>43,988</b>	<b>13,455</b>	<b>57,443</b>	<b>39,278</b>	<b>12,807</b>	<b>52,085</b>

The Charity	2019			2018		
	Unrestricted £'000	Restricted and endowed £'000	Total £'000	Unrestricted £'000	Restricted and endowed £'000	Total £'000
<b>Fixed assets</b>						
Tangible fixed assets	11,737	-	11,737	13,462	-	13,462
Investments	66,407	2,414	68,821	67,046	2,245	69,291
<b>Current assets</b>						
Stock	-	-	-	-	-	-
Debtors	16,396	-	16,396	17,121	-	17,121
Cash at bank and in hand	(8,404)	10,332	1,928	(6,179)	9,493	3,314
<b>Liabilities</b>						
Current liabilities	(23,580)	-	(23,580)	(24,274)	-	(24,274)
Long-term liabilities	(2,478)	-	(2,478)	(2,723)	-	(2,723)
Provisions for liabilities and charges	(9,269)	-	(9,269)	(8,112)	-	(8,112)
Defined-benefit pension scheme liability	(11,934)	-	(11,934)	(17,480)	-	(17,480)
	<b>38,875</b>	<b>12,746</b>	<b>51,621</b>	<b>38,861</b>	<b>11,738</b>	<b>50,599</b>

## 18. Pension schemes

<b>Cost to the Group</b>	Group 2019 £'000	Group 2018 £'000	Charity 2019 £'000	Charity 2018 £'000
<b>Defined-benefit scheme</b>				
Age Concern section	713	408	652	388
Help the Aged section	870	551	870	551
<b>Total defined-benefit scheme costs</b>	<b>1,583</b>	<b>959</b>	<b>1,522</b>	<b>939</b>
<b>Defined-contribution scheme</b>				
Age UK Pension Plan	2,451	2,524	628	625
<b>Pensions cost</b>	<b>4,034</b>	<b>3,483</b>	<b>2,150</b>	<b>1,564</b>

During the year Age UK Group operated two pension schemes; one defined contribution scheme and one defined benefit scheme, both of which are multi-employer schemes.

Apart from the two schemes operated by Age UK, Age UK also hold an interest in The Pension Trust's Growth Plan. The Plan was used for members wishing to pay Additional Voluntary contributions (AVCs) under the old Help the Aged defined benefit scheme. The scheme is in deficit and should Age UK withdraw from the scheme, Age UK would be required to pay its share of the deficit. At end of September 2014 Age UK's debt on withdrawal was £467,307. A recovery plan has been agreed to eliminate the deficit requiring employers to pay contributions with effect from 1 April 2013. The original recovery plan was to run for ten years but this has been extended until 31 August 2025. The deficit contributions payable will increase by 3 per cent each year in April. For the year ending 31 March 2020 Age UK is expected to pay contributions of £26,246.

### The defined contribution scheme

The Age UK Pension Plan is a Group Personal Pension and the amounts charged to the SOFA for the defined contribution scheme are the contributions paid in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. As at 31 March 2019 included in liabilities due within one year was an amount of £326,119 (2018: £321,973) for employer and employee pension contributions, these were paid across to the pension

scheme in April 2019. Age UK's original staging date for auto enrolment was 1 September 2013 and in line with legal requirements a re-enrolment exercise was undertaken on 1 September 2016. Employees are auto enrolled with an employee contribution of 1 per cent with Age UK paying 4 per cent as an employer contribution. Members have the flexibility to choose a higher level and the employer contribution rate is 8 per cent for employees making contributions of 3 per cent, and 9 per cent for those employees paying 4 per cent or more. From 1 April 2019 auto enrolment rates have been increased to an employee rate of 2 per cent with Age UK paying 6 per cent as an employer contribution to meet the new combined rate required by legislation. Employer contributions to the scheme totalled £3,643,265 in the year (2018: £3,238,938).

### The defined benefit scheme

In October 2012 the two defined-benefit schemes, which were legacy schemes from Age Concern England and Help the Aged, were merged on a sectionalised basis under the Age UK Retirement Benefit Scheme. Both schemes are multi employer schemes and both are closed to new entrants and future accruals. The two sections in the scheme are the Age Concern section (AC) and the Help the Aged (HtA) section.

For the year ending 31 March 2020 Age UK expects to pay contributions of £3.45 million, with £1.75 million in relation to the Age Concern section and £1.7 million in relation to the Help the Aged section. These contributions include an allowance for administration

expenses and Pension Protection Fund levies. The most recent full actuarial valuation for the Age UK Retirement Benefits Scheme took place on 1 April 2016. An updated valuation at 1 April 2019 is in progress. The share of the net liability allocated to each of the participating employers has been determined based on their respective liability share at 1 April 2016.

As required by FRS 102 the defined benefit liabilities have been measured using the projected unit method. The tables below state the FRS 102 actuarial assumptions upon which the valuation of the scheme was based.

Principal financial assumptions at the balance sheet date	2019 AC %	2019 HtA %	2018 AC %	2018 HtA %
Inflation assumption (RPI)	3.40	3.40	3.30	3.30
Inflation assumption (CPI)	2.40	2.40	2.30	2.30
Rate of increase in salaries	N/A	3.40	N/A	3.30
<b>Pension increases</b>				
Rate of increase in payment of pre 2005 pensions	3.40	2.40	3.30	2.30
Rate of increase in payment of post 2005 pensions	2.50	2.40	2.50	2.30
Discount rate	2.40	2.40	2.60	2.60

Principal demographic assumptions at the balance sheet date	2019 AC %	2019 HtA %	2018 AC %	2018 HtA %
<b>Assumed life expectancies on retirement at age 65</b>				
Retiring today – males	86.3	86.3	86.8	86.8
Retiring today – females	88.2	88.2	88.7	88.7
Retiring in 20 years – males	87.3	87.3	87.8	87.8
Retiring in 20 years – females	89.4	89.4	89.9	89.9

Allowance has been made for all members to exchange 80 per cent of the maximum cash allowance available upon retirement. The mortality assumptions are: S2P base tables projected by year of birth assuming future improvements in line with CMI 2018 core projections with a long-term rate of improvement of 1 per cent per annum.

Major categories of plan assets	2019 AC £'000	2019 HtA £'000	2019 Total £'000	%	2018 AC £'000	2018 HtA £'000	2018 Total £'000	%
<b>The Group</b>								
Equities	14,265	13,911	28,176	21.0	14,652	14,385	29,037	23.2
Diversified growth	12,637	16,573	29,210	21.8	13,096	16,669	29,765	23.8
Property	5,050	-	5,050	3.8	4,791	-	4,791	3.8
Gilts and bonds	37,100	33,948	71,048	53.0	31,825	28,869	60,694	48.5
Cash	143	476	619	0.5	259	633	892	0.7
	<b>69,195</b>	<b>64,908</b>	<b>134,103</b>	<b>100</b>	<b>64,623</b>	<b>60,556</b>	<b>125,179</b>	<b>100</b>
<b>The Charity</b>								
Equities	13,045	13,911	26,956	21.0	13,399	14,385	27,784	23.2
Diversified growth	11,556	16,573	28,129	21.9	11,977	16,669	28,646	23.9
Property	4,618	-	4,618	3.6	4,381	-	4,381	3.7
Gilts and bonds	33,929	33,948	67,877	53.0	29,105	28,869	57,974	48.5
Cash	131	476	607	0.5	236	633	869	0.7
	<b>63,279</b>	<b>64,908</b>	<b>128,187</b>	<b>100</b>	<b>59,098</b>	<b>60,556</b>	<b>119,654</b>	<b>100</b>

None of the scheme's assets are invested in any property or other assets currently used by the Group.

Reconciliation of funded status to balance sheet	2019 AC £'000	2019 HtA £'000	2019 Total £'000	2018 AC £'000	2018 HtA £'000	2018 Total £'000
<b>The Group</b>						
Fair value of assets	69,195	64,908	134,103	64,623	60,556	125,179
Present value of funded defined benefit obligations	(72,868)	(73,482)	(146,350)	(71,726)	(71,540)	(143,266)
<b>Funded status</b>	<b>(3,673)</b>	<b>(8,574)</b>	<b>(12,247)</b>	<b>(7,103)</b>	<b>(10,984)</b>	<b>(18,087)</b>
Liability recognised on the balance sheet	(3,673)	(8,574)	(12,247)	(7,103)	(10,984)	(18,087)
<b>The Charity</b>						
Fair value of assets	63,279	64,908	128,187	59,098	60,556	119,654
Present value of funded defined benefit obligations	(66,639)	(73,482)	(140,121)	(65,594)	(71,540)	(137,134)
<b>Funded status</b>	<b>(3,360)</b>	<b>(8,574)</b>	<b>(11,934)</b>	<b>(6,496)</b>	<b>(10,984)</b>	<b>(17,480)</b>
Liability recognised on the balance sheet	(3,360)	(8,574)	(11,934)	(6,496)	(10,984)	(17,480)

	2019 AC £'000	2019 HtA £'000	2019 Total £'000	2018 AC £'000	2018 HtA £'000	2018 Total £'000
<b>Amounts recognised in the SOFA</b>						
<b>The Group</b>						
<b>Operating cost</b>						
Past service cost	239	335	574	-	-	-
Administration expenses	313	274	587	214	238	452
Interest on net defined liability	161	261	422	194	313	507
Pension expense recognised in the SOFA	<b>713</b>	<b>870</b>	<b>1,583</b>	<b>408</b>	<b>551</b>	<b>959</b>
<b>The Charity</b>						
<b>Operating cost</b>						
Past service cost	219	335	554	-	-	-
Administration expenses	286	274	560	196	238	434
Interest on net defined liability	147	261	408	192	313	505
Pension expense recognised in the SOFA	<b>652</b>	<b>870</b>	<b>1,522</b>	<b>388</b>	<b>551</b>	<b>939</b>
<b>Amounts recognised in other comprehensive income</b>						
<b>The Group</b>						
Asset gains arising during the year	4,275	3,484	7,759	305	5	310
Liability (losses)/ gains arising during the year	(1,983)	(1,936)	(3,919)	1,032	1,058	2,090
Pension gain recognised in the other comprehensive income	<b>2,292</b>	<b>1,548</b>	<b>3,840</b>	<b>1,337</b>	<b>1,063</b>	<b>2,400</b>
<b>The Charity</b>						
Asset gains arising during the year	3,887	3,484	7,371	321	4	325
Liability (losses)/ gains arising during the year	(1,813)	(1,936)	(3,749)	866	1,058	1,924
Pension gain recognised in the other comprehensive income	<b>2,074</b>	<b>1,548</b>	<b>3,622</b>	<b>1,187</b>	<b>1,062</b>	<b>2,249</b>

Change in the fair value of scheme assets	2019 AC £'000	2019 HtA £'000	2019 Total £'000	2018 AC £'000	2018 HtA £'000	2018 Total £'000
<b>The Group</b>						
Opening fair value of scheme assets	64,623	60,556	125,179	62,282	59,260	121,542
Assets acquired in a business combination	-	-	-	1,085	-	1,085
Interest income on scheme assets	1,666	1,565	3,231	1,580	1,480	3,060
Gains on scheme assets	4,275	3,484	7,759	305	4	309
Employer contributions	1,851	1,732	3,583	1,849	1,849	3,698
Net benefits paid	(2,907)	(2,155)	(5,062)	(2,264)	(1,799)	(4,063)
Administration costs incurred	(313)	(274)	(587)	(214)	(238)	(452)
<b>Closing fair value of scheme assets</b>	<b>69,195</b>	<b>64,908</b>	<b>134,103</b>	<b>64,623</b>	<b>60,556</b>	<b>125,179</b>

<b>The Charity</b>						
Opening fair value of scheme assets	59,098	60,556	119,654	57,883	59,260	117,143
Interest income on scheme assets	1,524	1,565	3,089	1,443	1,480	2,923
Gains on Scheme assets	3,887	3,484	7,371	321	4	325
Employer contributions	1,714	1,732	3,446	1,717	1,849	3,566
Net benefits paid	(2,658)	(2,155)	(4,813)	(2,070)	(1,799)	(3,869)
Administration costs incurred	(286)	(274)	(560)	(196)	(238)	(434)
<b>Closing fair value of scheme assets</b>	<b>63,279</b>	<b>64,908</b>	<b>128,187</b>	<b>59,098</b>	<b>60,556</b>	<b>119,654</b>

Actual return on scheme assets	2019 AC £'000	2019 HtA £'000	2019 Total £'000	2018 AC £'000	2018 HtA £'000	2018 Total £'000
<b>The Group</b>						
Interest income on scheme assets	1,666	1,565	3,231	1,501	1,480	2,981
Gains on scheme assets	4,275	3,484	7,759	516	4	520
<b>Actual return on scheme assets</b>	<b>5,941</b>	<b>5,049</b>	<b>10,990</b>	<b>2,017</b>	<b>1,484</b>	<b>3,501</b>

<b>The Charity</b>						
Interest income on scheme assets	1,524	1,565	3,089	1,443	1,480	2,923
Gains on scheme assets	3,887	3,484	7,371	321	4	325
<b>Actual return on scheme assets</b>	<b>5,411</b>	<b>5,049</b>	<b>10,460</b>	<b>1,764</b>	<b>1,484</b>	<b>3,248</b>

Change in the present value of the defined benefit obligation	2019 AC £'000	2019 HtA £'000	2019 Total £'000	2018 AC £'000	2018 HtA £'000	2018 Total £'000
<b>The Group</b>						
Opening defined benefit obligation	71,726	71,540	143,266	71,996	72,604	144,600
Liabilities assumed in a business combination	-	-	-	1,254	-	1,254
Interest expense on defined benefit obligation	1,827	1,826	3,653	1,774	1,793	3,567
Past service cost	239	335	574	-	-	-
Actuarial losses/(gains) arising on scheme liabilities	1,983	1,936	3,919	(1,032)	(1,058)	(2,090)
Net benefits paid	(2,907)	(2,155)	(5,062)	(2,266)	(1,799)	(4,065)
<b>Closing defined benefit obligation</b>	<b>72,868</b>	<b>73,482</b>	<b>146,350</b>	<b>71,726</b>	<b>71,540</b>	<b>143,266</b>
<b>The Charity</b>						
Opening defined benefit obligation	65,594	71,540	137,134	66,896	72,604	139,500
Interest expense on defined benefit obligation	1,671	1,826	3,497	1,635	1,793	3,428
Past service cost	219	335	554	-	-	-
Actuarial losses/(gains) arising on scheme liabilities	1,813	1,936	3,749	(866)	(1,058)	(1,924)
Net benefits paid	(2,658)	(2,155)	(4,813)	(2,071)	(1,799)	(3,870)
<b>Closing defined benefit obligation</b>	<b>66,639</b>	<b>73,482</b>	<b>140,121</b>	<b>65,594</b>	<b>71,540</b>	<b>137,134</b>

## 19. Consolidated Statement of Financial Activities for the year ended 31 March 2018 (Prior year)

INCOME AND EXPENDITURE	Unrestricted £'000	Restricted £'000	2018 £'000 Restated
<b>INCOME FROM:</b>			
<b>Voluntary income</b>			
Donations and gifts	8,375	7,075	15,450
Legacies	26,699	2,788	29,487
Grants, corporate and trusts	273	13,038	13,311
Lotteries and raffles	10,494	-	10,494
<b>Total voluntary income</b>	<b>45,841</b>	<b>22,901</b>	<b>68,742</b>
<b>Trading activities</b>			
Charity Shops	42,772	-	42,772
Financial Services	27,243	23	27,266
Independent Living Solutions	2,754	-	2,754
Other trading income	1,155	113	1,268
<b>Total income from trading activities</b>	<b>73,924</b>	<b>136</b>	<b>74,060</b>
<b>Investment income and interest</b>	<b>1,446</b>	<b>74</b>	<b>1,520</b>
<b>Charitable activities</b>			
Campaign and research	58	-	58
Information and advice	85	-	85
Health and care	838	-	838
Wellbeing	679	-	679
Support the network	166	-	166
International	12	-	12
<b>Total income from charitable activities</b>	<b>1,838</b>	<b>-</b>	<b>1,838</b>
<b>Other income</b>			
Net (loss)/gain on disposal of fixed assets	347	-	347
<b>TOTAL INCOME</b>	<b>123,396</b>	<b>23,111</b>	<b>146,507</b>
<b>EXPENDITURE ON:</b>			
<b>Cost of raising funds</b>			
Cost of generating voluntary income	(14,146)	(608)	(14,754)
Cost of generating trading income			
Cost of Charity Shops	(41,841)	-	(41,841)
Cost of Financial Services	(19,739)	-	(19,739)
Cost of Independent Living Solutions	(2,462)		(2,462)
Other costs of raising funds	(78)		(78)
Total cost of generating trading income	(64,120)	-	(64,120)
<b>Total cost of raising funds</b>	<b>(78,266)</b>	<b>(608)</b>	<b>(78,874)</b>
<b>Net resources available for charitable activities</b>	<b>45,130</b>	<b>22,503</b>	<b>67,633</b>

## 19. Consolidated Statement of Financial Activities for the year ended 31 March 2018 (Prior year) continued

INCOME AND EXPENDITURE	Unrestricted £'000	Restricted £'000	2018 £'000 Restated
<b>Charitable activities</b>			
Campaign and research	(7,226)	(117)	(7,343)
Information and advice	(7,970)	(2,707)	(10,677)
Health and care	(3,966)	(510)	(4,476)
Wellbeing	(6,527)	(4,685)	(11,212)
Support the network	(20,201)	(222)	(20,423)
International	(7,236)	(7,812)	(15,048)
<b>Total expenditure on charitable activities</b>	<b>(53,126)</b>	<b>(16,053)</b>	<b>(69,179)</b>
<b>TOTAL EXPENDITURE</b>	<b>(131,392)</b>	<b>(16,661)</b>	<b>(148,053)</b>
Net gains/(losses) on investments	(596)	(9)	(605)
<b>NET INCOME/(EXPENDITURE)</b>	<b>(8,592)</b>	<b>6,441</b>	<b>(2,151)</b>
<b>Other recognised gains and losses</b>			
Actuarial gains on pension scheme	2,400	-	2,400
Gain on sales of subsidiary	1,151	-	1,151
Income on acquisition of subsidiary	589	507	1,096
<b>NET MOVEMENT IN FUNDS</b>	<b>(4,452)</b>	<b>6,948</b>	<b>2,496</b>
<b>Reconciliation of funds</b>			
Total funds bought forward	43,730	5,859	49,589
Net movement in funds	(4,452)	6,948	2,496
Prior year restatement	-	-	-
<b>Total funds carried forward</b>	<b>39,278</b>	<b>12,807</b>	<b>52,085</b>

## 20. Taxation and charitable status

Age UK is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. Where the Charity's trading subsidiaries pay available profits to the Charity under the Gift Aid scheme, they eliminate or reduce their respective corporation tax liabilities.

## 21. Company limited by guarantee

The liability of the members of the Charity is limited by guarantee to £1 each.

## 22. Operating lease commitments

The Group had total commitments at the year end under operating leases expiring as follows

	2019 £'000	2018 £'000
Within one year	7,277	6,960
Within one to five years	13,962	14,163
After five years	672	1,182
	<b>21,911</b>	<b>22,305</b>

## 23. Contingent liabilities and capital commitments

There were no contingent liabilities and no capital commitments as at 31 March 2019 and at 31 March 2018.

## 24. Related party transactions

### Group transactions

Many group entities benefit from centrally provided support services such as accounts payable and payroll. The costs of running central support services accrue in one subsidiary, Age UK Trading CIC, and are apportioned to group entities on an annual basis according to management estimations of time and resource expended. Expenses relating to the charitable activities of the retail estate are also recharged from Age UK Trading CIC to the charity on an annual basis.

The major support cost and retail reallocations in the year ended 31 March 2019 were as follows:

TO:	Age UK £'000	Age UK Trading CIC £'000	Age UK Enterprises Ltd £'000	Lottery CICs £'000	Age International £'000	Total £'000
<b>FROM:</b>						
Age UK	-	773	-	-	-	773
Age UK Trading CIC	29,412	-	3,212	164	1,058	33,846
<b>TOTAL</b>	<b>29,412</b>	<b>773</b>	<b>3,212</b>	<b>164</b>	<b>1,058</b>	<b>34,619</b>

Grants awarded to subsidiary charities, and TAM commission shared with group trading entities in the year are summarised here:

TO:	Age International £'000	Age Cymru £'000	Age Cymru Enterprises Ltd £'000	Age UK Suffolk £'000	Age UK Suffolk Trading Ltd £'000	Total £'000
<b>FROM:</b>						
Age UK (Grants)	8,182	389	-	35	-	8,606
Age UK Enterprises Ltd (Commission)	-	-	209	-	106	315
<b>TOTAL</b>	<b>8,182</b>	<b>389</b>	<b>209</b>	<b>35</b>	<b>106</b>	<b>8,921</b>

## 25. Post balance sheet events

On 1 October 2019, The Silver Line, a Charity registered in England and Wales (registration 1147330) and Scotland (registration SCO44467) became a charitable subsidiary of Age UK.

On 17 October 2019 Age UK made an investment of £1.5 million through the issue of share capital in Age UK Trading CIC for onward investment into Age UK Enterprises.

## 26. Subsidiary undertakings

During the year Age UK Group carried out activities through the following wholly owned trading subsidiaries. These entities' principal activities are detailed below:

- Age UK Enterprises Limited: Provides insurance services and other products for older people.
- Age UK Trading CIC: Provides Age UK with staffing and management for Age UK's charity shops and the sale of bought in goods.
- HelpAge International UK: Raises funds and carries out Age UK's international charitable work.
- Age Cymru, the national Age UK charity of Wales, provided support for the elderly in the principality and joined the group in October 2017.
- Age UK Suffolk, a regional charity registered in England and Wales providing support for the elderly in East Anglia.
- Age UK Local Programmes Lottery CIC: Raises funds through lotteries.
- Age UK Information & Advice Lottery CIC: Raises funds through lotteries.
- Age UK Education and Research Lottery CIC: Raises funds through lotteries.

	Age UK Trading CIC £'000	Age UK Enterprises Limited £'000	HelpAge International UK £'000	Age Cymru £'000	Age UK Suffolk £'000	Age UK Lotteries £'000	2019 Total £'000	2018 Total £'000
<b>Profit and loss account</b>								
Turnover	39,619	23,295	13,957	2,292	2,250	4,082	85,495	112,070
Gain on Disposal (AidCall)	76	-	-	-	-	-	76	1,151
Expenditure	(38,971)	(21,313)	(13,957)	(2,094)	(2,485)	(2,378)	(81,198)	(108,657)
<b>Profit/(loss) for the year</b>	<b>724</b>	<b>1,982</b>	<b>-</b>	<b>198</b>	<b>(235)</b>	<b>1,704</b>	<b>4,373</b>	<b>4,564</b>
Gift Aid to parent *	-	-	-	-	-	-	-	(4,217)
<b>Result for the year transferred to reserves</b>	<b>724</b>	<b>1,982</b>	<b>-</b>	<b>198</b>	<b>(235)</b>	<b>1,704</b>	<b>4,373</b>	<b>347</b>
<b>Balance Sheet</b>								
Total fixed assets	500	-	-	31	56	-	587	1,383
Current assets	3,302	9,288	990	1,589	(159)	3,636	18,646	20,046
Total liabilities	(2,407)	(6,814)	(960)	(441)	(327)	(1,933)	(12,882)	(18,809)
<b>Net assets</b>	<b>1,395</b>	<b>2,474</b>	<b>30</b>	<b>1,179</b>	<b>(430)</b>	<b>1,703</b>	<b>6,351</b>	<b>2,620</b>

\*Gift Aid treatment has changed for profits earned in the year ended March 2019. Previously any eligible taxable profits of trading subsidiaries was accrued as Gift Aid payable at the balance sheet date whereas Gift Aid will be accounted for on a cash basis in the current and future periods once declared.

## 27. Grants Payable

Analysis of grants paid in the year highlighting those institutions receiving more than £100,000

2019	Campaign and research	Information and advice	Health and care	Wellbeing	Support the network	International	Total £'000	Awards
<b>Age UK National Partners</b>								
Age NI	-	-	-	-	483	-	483	4
Age Scotland	-	20	-	-	449	-	469	6
	-	<b>20</b>	-	-	<b>932</b>	-	<b>952</b>	<b>10</b>
<b>Age UK Brand Partners</b>								
Age UK East London	-	19	-	-	95	-	114	7
Age UK Darlington	-	-	-	108	43	-	151	9
Age UK Gateshead	-	22	-	120	27	-	169	9
Age UK Gloucestershire	-	23	-	91	58	-	172	12
Age UK Herefordshire and Worcestershire	-	-	7	119	25	-	151	11
Age UK Lancashire	-	-	-	111	55	-	166	14
Age UK Leeds	-	22	7	34	52	-	115	13
Age UK Leicestershire and Rutland	-	25	6	112	52	-	195	14
Age UK Northamptonshire	-	3	(17)	1	142	-	129	13
Age UK Nottingham and Notts	-	21	-	103	51	-	175	14
Age UK Portsmouth	-	-	-	100	21	-	121	7
Age UK West Cumbria	-	-	-	104	26	-	130	5
Age UK Wiltshire	-	21	-	(6)	91	-	106	12
Age UK Wirral	-	-	-	80	30	-	110	8
	-	<b>156</b>	<b>3</b>	<b>1,077</b>	<b>768</b>	-	<b>2,004</b>	<b>148</b>
<b>UK institutions</b>								
Citizens Online	-	-	-	200	-	-	200	1
Clarion Housing Group	-	-	-	281	-	-	281	1
Digital Unite Ltd	-	-	-	220	-	-	220	1
Scottish Council for Voluntary Organisations	-	-	-	316	23	-	339	1
University of Edinburgh	113	-	-	-	-	-	113	1
Woody's Lodge	-	-	-	330	-	-	330	1
	<b>113</b>	-	-	<b>1,347</b>	<b>23</b>	-	<b>1,483</b>	<b>6</b>
<b>International</b>								
HelpAge International	-	-	-	-	-	11,496	11,496	41
	-	-	-	-	-	<b>11,496</b>	<b>11,496</b>	<b>41</b>
	<b>113</b>	<b>176</b>	<b>3</b>	<b>2,424</b>	<b>1,723</b>	<b>11,496</b>	<b>15,935</b>	<b>205</b>
<b>Other grants paid</b>								
< £100k per recipient per year	64	823	35	636	3,727	-	5,285	
<b>Total Grants payable</b>	<b>177</b>	<b>999</b>	<b>38</b>	<b>3,060</b>	<b>5,450</b>	<b>11,496</b>	<b>21,220</b>	

## 27. Grants payable (continued)

Analysis of grants paid in the prior year highlighting those institutions receiving more than £100,000

2018	Campaign and research	Information and advice	Health and care	Wellbeing	Support the network	International	Total £'000	Awards
<b>Age UK National Partners</b>								
Age NI	-	-	-	-	462	-	462	12
Age Scotland	-	-	-	-	349	-	349	1
	-	-	-	-	<b>811</b>	-	<b>811</b>	<b>13</b>
<b>Age UK Brand Partners</b>								
Age UK Bradford	-	46	-	9	68	-	123	12
Age UK Bedfordshire	-	38	-	22	50	-	110	8
Age UK Cheshire	-	18	-	54	119	-	191	12
Age UK Cornwall	-	-	80	3	62	-	145	11
Age UK Coventry	-	21	-	38	60	-	119	8
Age UK Devon	-	66	-	19	23	-	108	6
Age UK Darlington	-	37	-	110	80	-	227	9
Age UK Doncaster	-	-	-	11	103	-	114	5
Age UK Gloucestershire	-	-	-	100	67	-	167	11
Age UK Herefordshire and Worcestershire	-	37	-	140	82	-	259	10
Age UK Herefordshire and Localities	-	37	-	22	47	-	106	5
Age UK Hertfordshire	-	37	-	(7)	100	-	130	11
Age UK Hillingdon	-	53	-	-	113	-	166	8
Age UK Kensington and Chelsea	-	-	-	13	111	-	124	7
Age UK Lancashire	-	30	60	103	136	-	329	12
Age UK Leicestershire and Rutland	-	51	-	112	62	-	225	13
Age UK Lindsey	-	-	-	52	64	-	116	6
Age UK Portsmouth	-	-	-	107	31	-	138	9
Age UK Sheffield	-	42	-	17	53	-	112	8
Age UK Solihull	-	37	-	14	53	-	104	8
Age UK South Lakeland	-	58	-	56	-	-	114	6
Age UK Wiltshire	-	58	-	27	70	-	155	13
Age UK Newcastle	-	6	-	86	34	-	126	9
Age UK Northamptonshire	-	-	-	30	92	-	122	8
Age UK Nottingham and Notts	-	42	-	106	26	-	174	12
Age UK Plymouth	-	-	-	11	114	-	125	4
Age UK West Cumbria	-	-	-	125	68	-	193	8
Age UK Wirral	-	-	-	98	27	-	125	10
Age UK Wolverhampton	-	-	-	62	61	-	123	7
	-	<b>714</b>	<b>140</b>	<b>1,540</b>	<b>1,976</b>	-	<b>4,370</b>	<b>256</b>

## 27. Grants payable (continued)

Analysis of grants paid in the prior year highlighting those institutions receiving more than £100,000

2018	Campaign and research	Information and advice	Health and care	Wellbeing	Support the network	International	Total £'000	Awards
<b>UK institutions</b>								
Citizens Online	-	-	-	400	-	-	400	1
Clarion Housing Group	-	-	-	139	-	-	139	1
Digital Unite Ltd	-	-	-	401	-	-	401	1
Scottish Council for Voluntary Organisations	-	-	-	394	-	-	394	1
	-	-	-	<b>1,334</b>	-	-	<b>1,334</b>	<b>4</b>
<b>International</b>								
HelpAge International	-	-	-	-	-	12,463	12,463	29
	-	-	-	-	-	<b>12,463</b>	<b>12,463</b>	<b>29</b>
	-	<b>714</b>	<b>140</b>	<b>2,874</b>	<b>2,787</b>	<b>12,463</b>	<b>18,978</b>	<b>302</b>
<b>Other grants paid</b>								
< £100k per recipient per year	11	787	(4)	1,803	3,375	-	5,972	
<b>Total Grants payable</b>	<b>11</b>	<b>1,501</b>	<b>136</b>	<b>4,677</b>	<b>6,162</b>	<b>12,463</b>	<b>24,950</b>	

## 28. Other recognised gains and losses

The Group's subsidiary AidCall Limited was sold as a going concern to the AXA PPP group of companies on 1 November 2016. Proceeds from the sale amounted to £18,723,437 with the gain on disposal recognised as £13,758,302 in the year ended 31 March 2017. Further gains of £1,150,939 and £68,622 were recognised in the subsequent two accounting periods reflecting the release of excess provisions for costs to enable the sale.

## 29. Government grants

The following government grants were received in the period.

Grant provided by	Description	2019 £'000	2018 £'000
Ministry of Defence	To develop support for older veterans	1,752	1,617
Department for Digital, Culture, Media and Sport	Digital inclusion project	100	0
Department for International Development	Overseas relief efforts	500	2,160
Jersey Overseas Aid	Health and wellbeing of older women	200	0
Welsh Government Department of Health and Social Services	To support the work of Age Alliance Wales and to provide secretariat support for National Organisations of Older People in Wales	321	143
Welsh Government	'Golden Thread Advocacy' programme to produce a framework for delivery of independent professional advocacy in Wales, build capacity in the advocacy sector and raise awareness of the importance of advocacy	259	137
Welsh Government Department of Health and Social Services	To support the delivery of physical activity programmes, to support participation in arts and creativity and to deliver key health messages to older people in Wales	234	121
Other grants with individual values under £ 100,000		432	82
		<b>3,798</b>	<b>4,260</b>

## 30. Grants receivable

Under the terms of the grant agreement or contract the following grant(s) received in the year ended March 2019 are disclosed individually.

Funder	Programme	Project	£'000
City Bridge Trust	Strategic Initiative grant	Scams Preventions and Victim Support	177

Thank you



We'd like to thank all our donors, supporters, campaigners and volunteers for their valued contribution. We'd also like to thank all those people who have left a gift in their will to Age UK. Their generosity will help us to help those who need us the most.

Special thanks go to the following businesses, public bodies, trusts and foundations for their generous support.

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Ageas

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Aged Veterans Fund (funded by the Chancellor using LIBOR funds)

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Allen & Overy Foundation

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Apetito

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Arm Limited

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Avis Budget UK

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Big Lottery Fund

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Bloomberg

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British Gas

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Bupa

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Centre for Accelerating Social Technology

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City Bridge Trust

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Common Humanitarian Fund (CHF)

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Cosaraf Charitable Foundation

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Credit Suisse

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Department for International Development (DFID) – UK Aid

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Department for Digital, Culture, Media and Sport

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Department of Health and Social Care

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Dignity

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Disasters Emergency Committee (DEC)

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E.ON

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Edith Murphy Foundation

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East Europe Foundation

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European Commission (EC)

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The Eveson Charitable Trust

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Exilarch's Foundation

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First Utility

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Foster Wood Foundation

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Geoff Hill Charitable Trust

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GIC

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Humanitarian Innovation Fund

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The Ingram Trust

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innocent

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International Olympic Committee (IOC)

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International Rescue Committee (IRC)

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IOM

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Jersey Overseas Aid (JOA)

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Kennedys

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Kirby Laing Foundation

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Laing Buisson

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Legal & General

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LV=

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Manning Gottlieb OMD

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Masonic Charitable Foundation

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Maxwell Harvey Legacy

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Milton Damerel Trust

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Miss Kathleen Beryl Sleigh Charitable Trust

Thank you

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Nationwide Building Society

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NatWest

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Netherlands Ministry of Foreign Affairs

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NHS England

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Oakhouse Foods

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Prudential plc

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Prudential UK

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ReAssure

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The Rhododendron Trust

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Robert Barr's Charitable Trust

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Rothesay Life

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Royal Bank of Scotland

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Santander UK

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The Schroder Foundation

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Scottish and Southern Energy Power Distribution

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Sequiris

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Simon Gibson Charitable Trust

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SMB Charitable Trust

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Souter Charitable Trust

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Sport England

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START network

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Swedish Postcode Lottery

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Swedish Research Council

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Swiss Red Cross

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The Tula Trust

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UNHCR

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United Nations Voluntary Fund for Victims  
of Torture (UNVFVT)

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UNOCHA

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UNOPS – LIFT

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UN Trust Fund to End Violence Against Women  
(UNTFEVAW)

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Warwick University

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The Wolfson Foundation

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World Diabetes Foundation

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World Jewish Relief

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Wiltshire Farm Foods

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Zurich Community Trust

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**Campaign**

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To find out more about how you can get involved with Age UK visit [www.ageuk.org.uk/support](http://www.ageuk.org.uk/support)

We provide expert and impartial information and advice on all areas of later life, through the Age UK Advice Line, our website, and by supporting our local partners to give face-to-face advice.

Age UK free Advice Line:

**0800 169 65 65**

Lines are open 8am–7pm,  
365 days a year.

## **Age UK**

Tavis House  
1–6 Tavistock Square  
London WC1H 9NA

**0800 169 87 87**

**[www.ageuk.org.uk](http://www.ageuk.org.uk)**

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