

Registered company number 6825798



# Helping the older people who need us the most

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## A pandemic year – rising to the challenge

**Age UK**

Report of Trustees and Annual Accounts 2020/21

# We are Age UK

We exist to help the older people who need us.

We're focusing on helping the older people  
who need us the most.

We can't do it without your help.

It's that simple.

No care. No money. No one to turn to.

A life led by too many older people.

Age UK is here to help.

A friend. A champion. A voice.

In person, in communities.

On the phone. Online.

We are Age UK.

Thank you

# Thank **you**

We want to start our annual report with two words. **Thank you.**

Thank you to the funders and supporters who stepped in and helped us rise to the challenge. Thank you to the campaigners who spoke out for older people when a powerful voice was essential. Thank you to the dedicated and hard-working Age UK family – our staff, our volunteers, our local, national, and international partners who gave their all this year.

And thank you to the thousands of older people we've worked with this year and the many more who've inspired us. You've made us laugh, you've made us cry, you've kept us going. Being there for older people has driven every aspect of our work – day and night.

2020/21 has been a year like no other. Not just in terms of the devastating consequences of the pandemic for hundreds of thousands of our beneficiaries, but the experiences that our staff and volunteers have all lived through.

It's been a year which has been totally dominated by the coronavirus pandemic. In the headlines we've read and listened to, but also in every aspect of our daily lives. It's affected the way we live, the way we learn, the way we connect with one another, the way we look after each other, the way we work, the way we shop, the way we travel, and sadly the way we die and say goodbye. It's been a year that was impossible to imagine beforehand.

At the start of this year, we knew Age UK had an incredibly important job to do and that we could not let older people down. We knew we had to rise to the challenge to support the older people who needed us the most. You helped us to do that.

But we know we've still got a long way to go as millions of older people struggle to 'bounce back' in the aftermath of the pandemic. We'll continue to be there and to rise to that challenge and thank you for your continued support.





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# A pandemic year – the situation for older people

**When the pandemic began, little did we know then how prolonged and destructive it would turn out to be.** While the situation has improved markedly thanks to the vaccination programme, we would be foolish to think it is over. In last year's report we grieved for the 40,000 lives lost across the nation. At the time of writing, in December 2021, that number has exploded to over 150,000<sup>1</sup>, with more than 40,000 lives lost in care homes alone.<sup>2</sup> After a wearying and sometimes frightening year and a half, it is easy to become immune to losses on this scale. However, there seems no doubt that in future we will look back on this period as catastrophic for older people, who are much the hardest hit in terms of mortality.

But that's not the only damage older people have experienced. There is mounting evidence of the disastrous effects of being cooped up for months at a time, often alone, on the physical and mental health of many in later life. Age UK has carried out two waves of research on the topic during the pandemic and they show that, not surprisingly, the damage has grown over time, with one in three older people impacted to some degree, and one in ten significantly.

At its worst, some who had previously taken the bus into town are now struggling to get up and down the stairs, due to stiffness and muscle wastage owing to inactivity. Morale and self-confidence have been undermined, leading to an inability to enjoy things that used to give pleasure. Older people already suffering with cognitive decline have typically found that their condition has worsened quite markedly, due to a lack of stimulation and company. Loneliness is a more common experience than before. And those who have sadly suffered bereavement during the pandemic, whether COVID-19 related or not, have struggled, deprived of the ability to observe the usual rituals and with bereavement support services overwhelmed.

Difficulties in accessing medical treatment, or an unwillingness to bother the NHS at such a stressful time, mean older people's illnesses and long-term health conditions have often got a lot worse. Nor is there much sign of a return to normal within the NHS any time soon. After the efforts of the last decade to reduce waiting lists for elective surgery to virtually nothing, they have spiralled to 5 million. Despite the valiant efforts of clinicians to tackle the backlog, the task is enormous. Unfortunately, most people on those waiting lists are older and often waiting for cataract, knee, or hip ops. Unless they can afford to 'go private' they face a long wait, often in pain and with disruption to their daily lives.

It is increasingly clear that some groups of older people have fared worse than others. Those on low incomes have been hit especially hard in terms of illness and death, among them disproportionately high numbers from Black, Asian, and other minority ethnic backgrounds. This, plus the #BlackLivesMatter protests at home and abroad, has shone important light on the inequality in our society, particularly but not exclusively regarding ethnicity. More generally, the pandemic has shown how far we must go to create a level playing field for all older people.

<sup>1</sup> Source ONS, Deaths registered weekly in England and Wales, December 2021

<sup>2</sup> ONS, Care home resident deaths registered in England and Wales, provisional, December 2021

Some painful lessons have been learned in government about the imperative of protecting older people in care homes from the virus. More expert help was finally sought, including from Age UK, and care providers were eventually given more government funding for infection control, and better access to testing. The terrible problem of finding the right balance between keeping care home residents safe on the one hand and allowing them to enjoy the company of their loved ones, on the other, is relentlessly ongoing. Some older people are still unable to see their friends and relatives as often as they would like or less commonly at all. The resultant suffering is heart-breaking.

Despite the greater awareness and activism in government more care home residents still died in the second wave than the first, and it is hard to escape the conclusion that had social care been better resourced in terms of people and money, some of the many lives that have been lost might have been saved. At the time of writing the Prime Minister has recently announced some social care reform proposals but they are very tightly focused on the development of a cap on catastrophic care costs, to be implemented not until October 2023. However successful or otherwise this cap turns out to be, no older person is likely to reach it until at least 2025. In addition, it will not bring the additional care staff and funding into social care that the pandemic showed was desperately needed.

Now though, at the time of writing, we are in a race between vaccination and new COVID-19 variants of concern. The vaccination programme has rightly been heralded as a triumph. The vast majority of older people have taken up the offer and the results can be seen at present, in the low numbers picking up the virus and becoming so ill that they have to be hospitalised. This is an enormous relief, but we

do not yet know how long the protection will last for older people. While relatively few older people have declined the offer of vaccination, those who have include disproportionately high numbers from Black, Asian, and other minority ethnic communities. A booster campaign is in full force, and we wait with concern to see how bad the dual threat of new COVID-19 variants, plus seasonal flu, turns out to be for older people this winter.

In any event, it seems that the pandemic is likely to continue to dominate older people's lives until spring 2022, if not beyond. It will take a long time to get over the damage of a period that has effectively, for many, pressed the 'fast forward button' on ageing, and sadly some never will. At Age UK we must, and we will, be there for them.



# Introduction from the Age UK Board of Trustees

**It is almost impossible to put into words the emotional tumult of the last year,** the depth and breadth of the pain experienced by so many older people, their families, and friends. Numbers are insufficient too, as stark as they might be, because they have grown so large that they become devoid of meaning. Each person, an individual with hopes, and dreams, is reduced to a statistic. At Age UK, we are all about people, not statistics.

Our staff, and our volunteers, both in the national charity, internationally, and across our Age family of national and local partners, have been working day and night to help hundreds of thousands of individuals when they have needed us the most. Older people turned to us when they needed us, and we responded, on the phone, and in communities. In 'the situation for older people' on pages 4 and 5 we give an overview of how groups of older people have fared in this, the pandemic year. This overview, and our Annual Report more broadly, is unequal to the task of giving a proper account of the myriad situations older people have faced or explaining how staff and volunteers have risen to the challenge.

But rise to the challenge we have. Demand for our telephone services has soared. The staff taking calls to our Advice Line and the staff and volunteers making friendship calls, and taking calls 24/7 to our Silver Line helpline, helped older people who were confused, anxious, lonely, or in deep distress. More people than ever before visited the Age UK website, where our team turned often last-minute, complex, and confusing government guidance into plain English.

Our influencing and campaigning colleagues reached out to older people, to understand the harsh reality of their day-to-day lives, enabling us to speak their truth to those in power, the media, and the organisations spearheading the nation's pandemic response, so we could create a movement

of support up-and-down the country. The expertise of our health influencing colleagues, underpinned by research to understand the depth and breadth of the impact of the pandemic on older people, meant we could advise the Government, NHS England, and others on a range of issues from personal protective equipment (PPE) and infection control to Do Not Attempt Resuscitation orders and end of life care.

At a time when our local partners were facing challenges on a scale they'd never experienced before, we prioritised getting emergency funding and support to them. We're very proud of the part that the Age UK network has played in offering grassroots support to older people in need. Around the world, our Age International team worked with our delivery partner, HelpAge International, and local partners to reach thousands of older people in over 25 countries with vital humanitarian support, helping to protect them and reduce the spread of the virus.

Our fundraising colleagues captivated public and corporate attention through our Coronavirus Emergency Appeal, raising an incredible £12.2 million (£11.5 million in year) of which 70 per cent supported local communities via our national and local partners. Spurred on by the success of the appeal, we've been bold in our fundraising this year, trying new approaches and reaching out to new audiences, which has led to strong results and exceptional levels of support from funders new and old.

Our shop teams experienced a roller coaster of a year, with many months of shop closures affecting the bottom line. When shops could open, our staff and volunteers exceeded all expectations and brought in record levels of income, while coping with strict procedures to keep them and our customers as safe as possible. Age Co transformed its way of working to focus on core products and cut costs, increasing profitability many times over.

Finally, the unsung heroes of our 'back office', our digital and technology, HR, finance, governance, and other departments, kept the show on the road, enabling us all to adapt to new ways of working while managing the shift themselves. Throughout, we paid particular attention to the wellbeing and mental health of our staff, doing everything we could to ensure they received the support they needed to remain resilient while facing challenges of their own, as we all have.

We have risen to the challenge in an environment of uncertainty and change. In last year's report, we explained that, like many charities, the pandemic had hit our finances hard, so too the finances of many of our local partners. The enforced closure of our network of almost 400 shops saw us lose £800,000 in income each week at start of the pandemic. We took quick action to reduce our costs and benefited greatly from the Government's Job Retention scheme to protect jobs but had no choice but to make over 400 colleagues redundant. This was difficult, and a decision we wish we could have avoided. Trustees agreed a three-year recovery plan to restore our reserves to pre-pandemic levels and, thanks to the generosity of the supporters who gave to our Coronavirus Emergency Appeal, the exceptional performance of our shops when they were able to open, and the performance of our investments close to year-end, we are considerably ahead of where we expected to be and able to spend more this year on charitable expenditure. This year, we spent £69.3 million (2020: £63.6 million) on

charitable activity, made a net surplus of £8.4 million, and restored our free reserves to £31.9 million.

We have risen to the challenge and will rise further. We know that the pandemic and its adverse impact on older people are far from over. While this year is the pandemic year, its consequences will be felt very deeply for years, if not decades to come. As set out in the situation for older people, the physical and mental health and wellbeing of many older people has plummeted during the pandemic, and the ever-growing waiting lists for elective surgery means that for all too many, the pain and suffering will continue. Older people from Black, Asian, and minority ethnic communities have been hit disproportionately hard. While the Government's proposals and funding for the long-overdue reform of social care are welcome, they do not yet amount to the systemic, long-term change that would have been required, even in a world where there was no pandemic and no aftermath. Our work at Age UK has just started, as we seek to recover, improve, and grow our support for older people. You can read more about our plans on pages 48 to 51.

We have risen to the challenge with your help. We could not have achieved so much without our staff, our volunteers, our funders, our supporters, our campaigners, our partners, and of course our beneficiaries – the older people we've worked with and for this year who've kept us going and have been at the heart of our work.

## The Age UK Board of Trustees

We would like to thank the former Chair and Chief Executive of Age UK, Sir Brian Pomeroy, and Steph Harland, for their significant contributions to the lives of older people and our organisation. Both Brian and Steph decided to step down for personal reasons and left us in July and September 2021 respectively.

# How we **work**

**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.

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 41 to 42), which Age UK receives funding for and makes grants available for suitable partners to deliver. In 2020/21 we distributed £30.7 million (per note 26) in total in grants to other organisations (2019/20 £19.9 million) (see pages 148 to 150). The increase from the previous year is due in large part to the generosity of the individuals and organisations who donated to our Coronavirus Emergency Appeal and the funding it enabled us to provide for front line services for older people.



## 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 one local Age Scotland partner), and Age Cymru (and five local Age Cymrus); over 120 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 25 developing countries. Age International is a member of the HelpAge global network and the Disasters Emergency Committee (DEC).

We are focused on six areas of charitable activity



**We campaign and research**



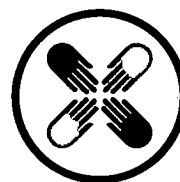
**We provide information and advice**



**We improve health and care services**



**We deliver wellbeing programmes and services**



**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.

# 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.

**Three priorities:** The things, above all else, we'll work to achieve and will shape everything we do; with the older people who need us the most at front and centre.

**Six charitable objectives:** The changes we'll aim to achieve in each area of work.

**Three enablers:** The foundations that will make achieving our strategy possible.

**Three values:** The characteristics everyone who works and volunteers for us will aim to demonstrate in all we do; and how we'll work with and for older people.

## 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, improving health and care services, delivering wellbeing programmes and services, supporting the Age UK network, and working internationally.

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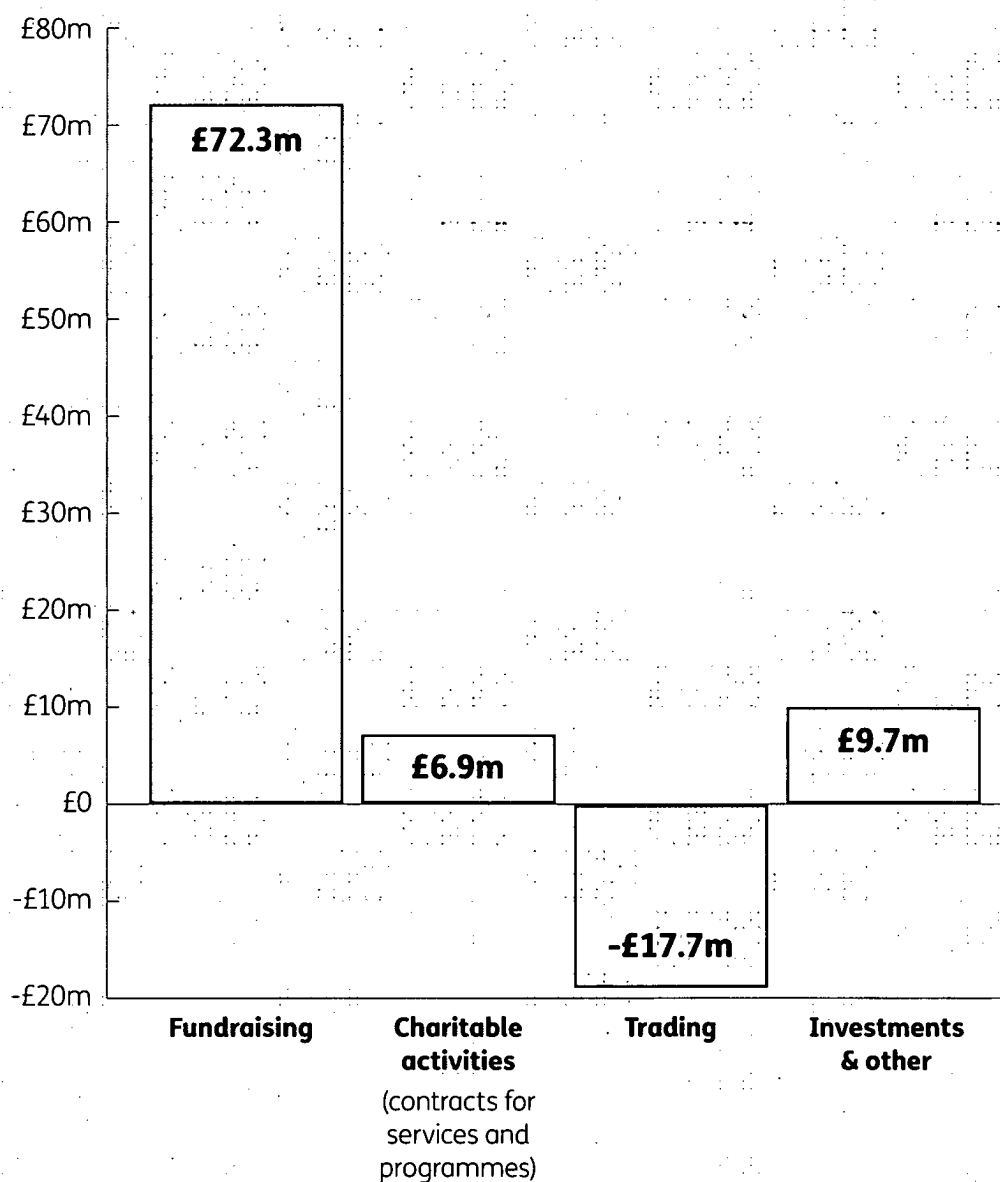
## Our three **enablers**

- 1 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.
- 2 We'll strengthen our organisational capabilities and diversity**  
 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.
- 3 We'll build incremental and sustainable income growth**  
 Across all our income streams, we'll invest in the long-term, sustainable growth needed to do more for older people.

**For more information about our plans for 2021/22 and our strategic direction beyond our current three-year strategy see pages 48 to 51.**

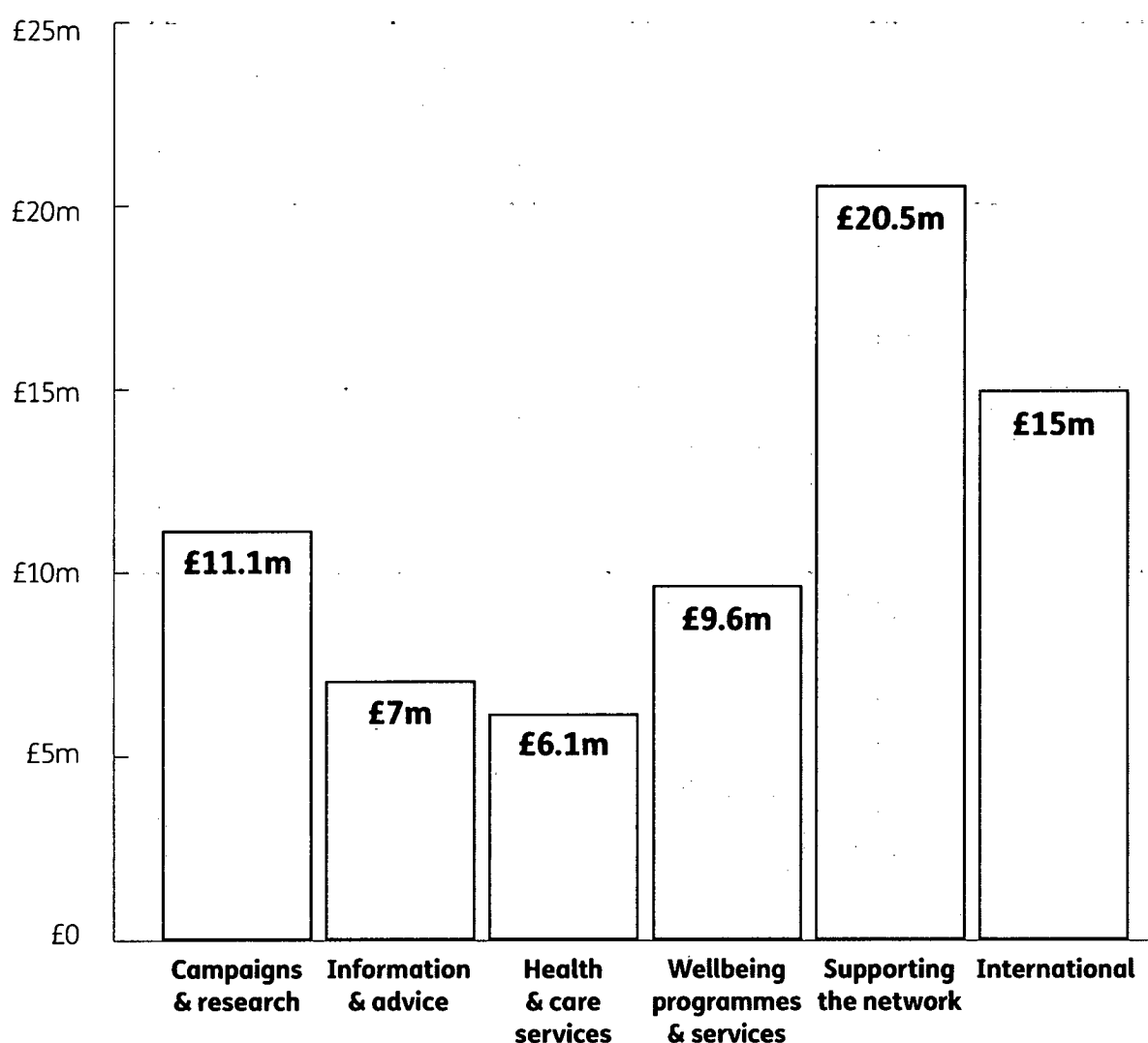
# How we **raised our money**

Our net resources available for charitable activity were **£71.2 million**



# How we **spent our money**

We spent **£69.3 million** on charitable activity



# Our charitable activity

**In normal years, we tell the story of our work under the headings of our charitable activities:** campaigns and research; information and advice; health and care services; wellbeing programmes and services; network support and; international. But this is no normal year.

To give full weight to the story of how we, and the Age UK network, have risen to the challenge of the pandemic year we've produced an impact report which you can read from page 18. It explains how we've helped older people, their families, and friends in a simpler way, focused on impact. It remains important that we explain how we spent the income

available to us for charitable expenditure in terms of our charitable activities, linked to our strategy. The information below sets out the key areas of our work, and our achievements, against those charitable activities and how much we spent on each area. We'll return to these areas when we talk about our plans on pages 48 to 51.





## We campaign and research

We spent **£11.1 million (2020: £14.1 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.

**What we do:** We make sure that the voices of older people are heard by those with the power to make decisions that affect them, through powerful campaigns, rooted in what older people, their families and carers tell us.

We generated over **3,000 pieces of pandemic-related media coverage** in national, consumer and trade media over the year

**Age UK (the national charity and local Age UKs combined) came top** in Cision's monthly Charity Barometer of media coverage for March and April 2020<sup>3</sup>

In a survey of MPs, **Age UK was the charity most mentioned as being at the top of minds as having supported older people** during the COVID-19 pandemic<sup>4</sup>

In a survey of MPs, Age UK was the top charity mentioned that had **impressed MPs as having been effective in our campaigning**<sup>5</sup>

We ran year two of the **We Are Undefeatable campaign**



## We provide information and advice

We spent **£7 million (2020: £7.7 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.

**What we do:** Whether on the phone through our national Advice Line, online, or face-to-face through the Age UK network, we're committed to providing expert, impartial and easy-to-understand support that helps people in very practical ways, from managing money troubles to finding a care home.

We answered **195,624 calls** to our Advice Line

We answered **14,510 letters, webchat, and email enquiries**

We welcomed **13 million users to our website**

We hosted just over **12 million website sessions** on our information and signposting pages

We delivered **holistic information and advice to 1,850 older people experiencing life-changing events** through our funded programmes

<sup>3</sup> Cision Charity Barometer, March and April 2020

<sup>4</sup> NfP synergy, Charity Parliamentary Monitor, July–September 2020

<sup>5</sup> NfP synergy, Charity Parliamentary Monitor, November 2020–January 2021



## We improve health and care services

We spent **£6.1 million (2020: £3.7 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.

**What we do:** We work to improve how local health and care services are delivered, helping local Age UKs improve the quality of their services, expand sustainably, and to deliver services which are focused on the beneficiary and based on what we know works.

We helped **37,000 older people** through our work to reduce NHS pressures

We distributed **over 500,000 pieces of donated PPE** to 82 local Age UKs



## We deliver wellbeing programmes and services

We spent **£9.6 million (2020: £12.1 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.

**What we do:** In partnership with local Age UKs, we deliver a range of programmes to boost people's wellbeing. Nationally, our Telephone Friendship Service matches older people with volunteer befrienders and our Silver Line helpline is the only free confidential helpline offering companionship, conversation, and comfort 24/7.

We made over **150,000 friendship calls**

We answered over **270,000 calls from older people** to our Silver Line Helpline

We identified over **£50 million in benefits that older people are eligible for** through our winter warmth programmes





## We support the Age UK network

We spent **£20.5 million (2020: £11.6 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.

**What we do:** We work with the Age UK network to help our partners ensure their organisations are well-governed and well-run, offer practical support such as marketing, website hosting and development, a HR support, provide funding, and help them raise income themselves through tender support and fundraising.

We gave **70 per cent of funding from our Coronavirus Emergency Appeal** to local Age UKs and national partners to provide front-line pandemic support



## We work internationally

We spent **£15 million (2020: £14.5 million)**

**What we do:** Age International, Age UK's international charity, focuses on the needs and rights of older people in some of the world's poorest countries.

**Age International provide a majority of HelpAge International's income for programmes to support older people. With this support, the HelpAge network has improved the lives of millions of older people in the following ways:**

Reached more than **432,530 older people with vital COVID-19 support** in 25 countries

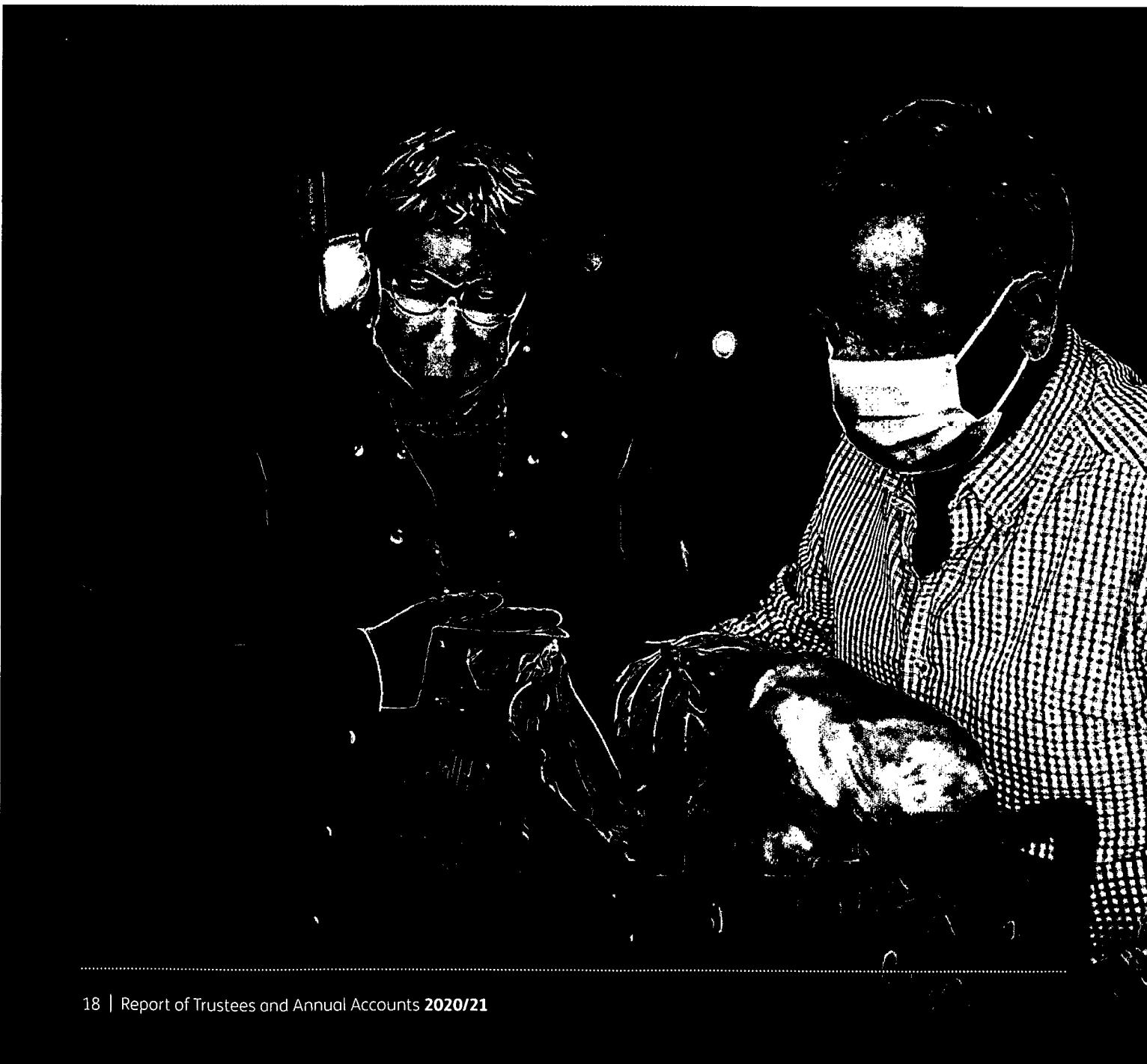
Gave **hygiene kits to 113,000 older people** in 11 countries

Gave **information to more than 1,212,400 older people** in 10 countries

# Our impact during **the pandemic**

## **What we've heard from older people.**

Through our front-line services, our tens of thousands of dedicated campaigners, and our local Age UK partners, we've heard from older people about their experiences. Older people who've never had to turn to Age UK told us they were struggling, both in practical terms, like getting the basics, such as food and medicine, but also emotionally.





We've heard about the fear and anxiety that living during these unprecedented times has caused, the long-term consequences of shielding and restrictions, and of the profound loss and sadness of so many deaths. Older people contacted us distressed, often anxious, depressed, or desperate.

People told us that they were unable to visit loved ones in care homes, and we heard what a devastating effect that had on care home residents, too many of whom sadly faced their last days, weeks and months feeling alone. Being told to shield and stay at home led to worries about how to properly access food, medicine or services, and the lack of physical contact that restrictions created provoked even deeper feelings of loneliness.

Before the start of the pandemic, we knew that there were 1.4 million chronically lonely older people in England, and many more across the rest of the UK. For many older people, months of shielding led to them being cut off from society, but also from the people they know, love, and rely upon. For older people with no local support networks, the closure of face-to-face services, like those offered by local Age UKs, was a terrible blow.

There was hope and solace to be found. The pandemic saw people of all ages come to the aid of their local communities, providing help with life's essentials and companionship. Stories of the different ways that individuals, neighbourhood groups, and charities helped older people in their communities is a celebration of human nature and should be fostered.

While the easing of restrictions and the vaccination programme provides real hope, many older people have told us they're worried about returning to 'normality'. Months of lockdown, huge lifestyle changes and inactivity have taken their toll on thousands of older people, with 42 per cent of over 60s in the UK, who had difficulty walking short distances outside before the first lockdown in March 2020, reporting this activity became more difficult since then.<sup>6</sup>

**Pages 20 to 47 explain how our charitable activity enabled Age UK to be there for older people during the pandemic and rise to these challenges during such an unprecedented year.**



<sup>6</sup> [www.ageuk.org.uk/latest-press/articles/2021/new-analysis-finds-the-pandemic-has-significantly-increased-older-peoples-need-for-social-care/](https://www.ageuk.org.uk/latest-press/articles/2021/new-analysis-finds-the-pandemic-has-significantly-increased-older-peoples-need-for-social-care/)

## 📣 Being there as a powerful voice

**We've risen to the challenge** of older people needing a strong voice, by shining a spotlight on the issues that they and their families have told us they've faced during the pandemic, helping to change the way the Government, and others have responded.



## The pandemic year: the situation we faced

From the start of the pandemic, we set out to be a powerful voice for older people, letting those with power know about the issues older people were telling us about. Older people were disproportionately affected by the pandemic, more likely to die, and hit harder by shielding due to underlying health conditions. We were concerned, and remain so, that the plight of many was not afforded enough attention, that older people's lives were seen of less value, and that life and death decisions were made on this premise.

This year, we've redoubled our efforts to campaign with, for and on behalf of older people, capture public attention, and ensure government and policy makers responded. We've also made sure that older people, their families, and carers know they can turn to us for help.



## The pandemic year: rising to the challenge

Throughout the pandemic we've heard from front line health and care services, our own local partners and directly from older people and their families about the tremendous challenges they have faced. We've worked hard to inform and advise the Government, NHS England, and other bodies to collectively come up with solutions. Issues we've advised on include: equal access to medication and treatment so older people got the help and care they deserved; providing on-going access to social care and support; support and advice for people shielding and the clinically vulnerable; vaccination; PPE and infection control; Do Not Attempt Resuscitation (DNACPR) orders; end of life care; severe mental health conditions and suicide; domestic abuse; and dementia.

This work was backed up by two pieces of research that we carried out with older people in August 2020 and February 2021 (and subsequently in September 2021) where we sought to really understand the depth and breadth of the impact of the pandemic on older people across all our communities. Our latest research shows that one in four older people report that they are living in more physical pain than before the pandemic, which concerningly amounts to 4 million people. We will continue to use the findings of our research and what we're hearing from older people to advise government ministers, officials, and others as they prepare for another winter where we live with COVID-19.

We were deeply concerned about the impact of a blanket ban on care home visits. We launched our report, **Behind the headlines; why in-person care home visiting must get going again**, in December 2020. It explained what residents, their friends and relatives told us about their experiences, the realities of what it meant to 'stop visiting', and why every conceivable effort was needed to restore these personal connections. We sent a strong message to the Government about the experiences our own campaigners faced, which helped lead to new guidance in November 2020 and care home visits resuming from March 2021.

With older people telling us they were struggling to access food, we secured regular meetings with the Department for Environment, Food and Rural Affairs (DEFRA) and met with major supermarkets to develop a 'good practice' guide alongside other charities, to help supermarkets better support vulnerable customers. Thanks to our engagement with DEFRA, the Government set up a system for vulnerable people to be able to get priority delivery slots at supermarkets and we became one of three national charities who could book these slots via the Age UK Advice Line (for people without internet access).

*"Although we speak on the phone [my husband] is confused about why I'm not there and tells me all the time he just needs to see me..."*

**He went into care during lockdown, so I feel lonely and almost as though I am a widow grieving even though I am not. The pain of it all has been unbearable. "**

**Older participant featured in our Behind the Headlines report on care home visits**



Image shown not report participant.



**“ We are struggling. We called the doctor and he told us that one of us can go shopping and the other should stay home. But the specialist nurse called and asked if we had had a letter from Boris because she thought it would be better if we both stayed at home as my husband had two heart attacks last year. I have tried to get online deliveries but there are no slots. ”**

#### **Older person who contacted Age UK about access to food**

With the pandemic both highlighting and deepening the cracks in the social care system we continued to campaign for sustainable long-term reform and the money to deliver it. In July 2020 we handed in a petition signed by over 100,000 people calling for the Government to fix care for good. We published **‘Time to bring our care home workers in from the cold’** report in September 2020, and we played a leading role in developing and implementing a joint charities’ campaign through the spring and summer of 2021 – #KeepYourPromiseBoris. We were pleased that the Government finally came through with an announcement on social care refinancing and reform in September 2021, because this broke the political logjam that had frustrated progress for more than a decade. However, much will still depend on the outcomes of the autumn Spending Review so that’s where we have turned our campaigning attention to. It very quickly became clear that unless there was substantial investment in councils’ care budgets in the short and medium term the Government’s social care reform plans were set to be a damp squib.

In coalition with 19 other charities and the Trades Union Congress (TUC), we launched a campaign to call for a furlough-style scheme for shielding and high-risk workers who could not work from home, including many people over the age of 65. We had significant media coverage of an **open letter** we wrote to the Chancellor and a joint **press release** with the TUC. We were pleased when the Chancellor widened the furlough scheme to this group of people.

With older people reporting more instances of domestic abuse, our No Age Limit campaign successfully called for data to be collected on all victims and survivors of domestic abuse, whatever their age. We’re delighted that the Office for National Statistics will now start collecting this data on those aged 75+ for the first time. This change means that older people will finally be included in conversations about domestic abuse, highlighting the need for support services for older victims and survivors (see page 27 for information on increases of safeguarding referrals via our Advice Line, including those about domestic abuse).

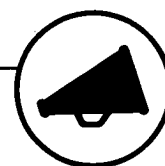
## We Are Undefeatable

We were pleased to be able to run the second year of the Sport England-funded **'We Are Undefeatable'** campaign on behalf of 16 leading health and social care charities.

The campaign aims to encourage the 19 million people in England with long-term health conditions to build physical activity into their daily lives in ways that work for them. We Are Undefeatable ran four marketing campaigns on TV, radio and social media this year with the TV ad campaigns consistently being seen by 112 million people, social media delivering 132.5 million impressions and our media activity reaching 179.4 million people.

Through our partnership with Sport England, and involvement in supporting We Are Undefeatable, we have been able to invest in improving communications, experiences and opportunities for sport and physical activity and relate these to what matters to people about their health as they get older. We want everyone to enjoy the benefits of an active life and the difference it can make to their quality of life, to staying independent and to healthy and confident ageing.





We generated over **3,000 pieces of pandemic-related media coverage** in national, consumer and trade media over the year

**Age UK (the national charity and local Age UKs combined) came top** in Cision's monthly Charity Barometer of media coverage for March and April 2020<sup>7</sup>

In a survey of MPs, **Age UK was the charity most mentioned as being at the top of minds as having supported older people** during the COVID-19 pandemic<sup>8</sup>

In a survey of MPs, Age UK was the top charity mentioned that had **impressed MPs as having been effective in our campaigning**<sup>9</sup>

## Our staff Q&A



Liz Fairweather, Media Manager

### What have you heard from older people this year?

It has been a truly horrible year for too many older people this year and we have heard stories that have broken our hearts – I will never forget what happened in care homes, the older carers and older people who were left to struggle alone. On the plus side we've heard how much we mean to them and seen some amazing work in action and heard some wonderful stories. Like seeing photos of older people getting dressed up to go for their vaccine.

### What makes you #ProudtobeAgeUK?

The special spirit unique to Age UK – I work with the best colleagues. We all work with the aim of making the lives of older people better, but we also take care of each other!

### What are you looking forward to most about your work in the future?

Hearing the Prime Minister's plans to 'fix social care once and for all' and working hard till the 'fix' is something we are all happy with.

<sup>7</sup> Cision Charity Barometer, March and April 2020

<sup>8</sup> NfP synergy, Charity Parliamentary Monitor, July–September 2020

<sup>9</sup> NfP synergy, Charity Parliamentary Monitor, November 2020–January 2021

# Being there with trusted telephone **information and advice**

**We've risen to the challenge** of guiding tens of thousands of older people and their families through this unprecedented time, with friendly, reliable, and up-to-date information and advice via the Age UK Advice Line.





## The pandemic year: the situation we faced

Our national telephone Advice Line has faced huge demand this year receiving 268,049 calls, with a peak of 26,473 in July, and further peaks in August, September, and October. A lot of callers were extremely anxious or distressed and as the pandemic worsened, calls became more urgent and complex. Our advisers have been under pressure to provide a more intense level of support to older people, their families, and carers, with call times becoming 15 per cent longer (now taking an average of seven minutes).



## The pandemic year: rising to the challenge

We quickly set our whole Advice Line team up to work from home, keeping our advisers safe and ensuring we kept our vital service up-and-running without interruption. Our Advice Line helped find solutions to thousands of unique challenges, by helping people with money, care, housing, and legal issues, and putting people in touch with their local Age UK for more intensive support. Enquiries about benefits and local services were the most frequent. We recruited more of our specialist advisors who deal with complex and detailed enquiries, with this increase in complexity a combination of changes to NHS and local authority working practices due to COVID-19 legislation, and the increasingly challenging and emotional situations people found themselves in.

With older people left confused by quickly changing, and sometimes conflicting government guidance, we made certain that our whole team were kept up

to date with the latest changes, including our local partners. We built an online resource for our staff and partners to make sure we were all providing up-to-date and accurate information.

Lockdown periods saw a well-reported increase in domestic abuse across the country, a trend which was sadly reflected on reporting to our Advice Line. We saw a 120 per cent increase in referrals from our Advice Line to our safeguarding team, with 26 per cent about domestic abuse. We knew it was important that we also refreshed our own safeguarding training for all our telephone advisors, with a strong focus on domestic abuse, so our colleagues knew how to identify issues and what steps to take during and after calls. We worked with a range of external partners to raise the issue of domestic abuse of older people and call for greater measures to protect those experiencing it (see page 23 and 55).

## Rasila's story

**Rasila was already balancing work and caring for her parents at the height of the pandemic when her sister was diagnosed with advanced dementia. The Age UK Advice Line provided Rasila with financial advice and signposted her to support available for carers in her area.**

*"I changed from a career person to a full-time carer overnight. It was really difficult. The Age UK advisors were very, very supportive. They listened to me. They knew I was reaching breaking point and I got the answers I needed from them.*

***People will normally ask how my sister is, but they never ask me how I am. Age UK did, and that meant a lot.*** The best part was that they phoned me back to check if I was alright. That's the beauty of it. People like me need the Age UK Advice Line, now more than ever."





We answered  
**195,624 calls**  
to our Advice Line

We answered **14,510**  
**letters, webchat, and**  
**email enquiries**

Our local partners  
**responded to**  
**625,331 enquiries**

## Our staff Q&A



Linda Prior,  
Age UK Advice  
Level 2 Adviser

### In one sentence, how would you describe your job?

My role as a Level 2 Adviser is to provide older people and their loved ones with high quality advice and information that will enable them to have a voice, understand their options, and find solutions to difficulties they may be facing.

### What was the biggest focus of your role this year?

Supporting older people, their relatives, and friends to navigate the health and social care system through the pandemic. Our team of advisers has worked very hard to keep abreast of changes affecting not just health and social care services but many other organisations, to give the most efficient and effective advice.

### What makes you #ProudtobeAgeUK?

All the wonderful feedback and 'thank yous' we receive from callers daily remind us how much difference we've been able to make to older people's lives. The team has also supported many eligible people over State Pension age to claim what adds up to thousands of pounds' worth of Attendance Allowance, a non-means tested state benefit for those with care and support needs, with some 88 per cent of the applications submitted on behalf of customers having a successful outcome.

## Being there with online information

**We've risen to the challenge** of helping older people navigate a complex and fast changing situation, by sharing easy to understand and up to the minute information to the 13 million users who visited our website this year.



### **The pandemic year:** the situation we faced

We knew it was crucial to provide information on our website that was current, accurate and easy to understand. Older people, their families, and friends were confused, anxious, and in need of impartial places to turn to for clear and simple information. Our content colleagues worked with our health policy specialists to make sure that we were up to speed with fast changing and complex government guidance.

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### **The pandemic year:** rising to the challenge

We've reached more people online than ever before, with millions of people searching for accurate, easy to understand information about the virus and how to keep themselves and their loved ones safe. We saw more than double the number of visits to the information and signposting pages of our website, with just over 12 million website sessions, up from 6.6 million in 2019/20.

To offer a single, trusted source of information about the pandemic, we launched a **coronavirus hub**. We ensured that the information we published responded to the problems older people were talking to us about via our telephone services. This section of our website alone was visited by over 4 million users. We published information on a whole range of topics, from shielding and coping with grief and loss, to accessing food, medication, and services, and the

vaccination rollout. We worked hard to make sure people could easily find our information when using a search engine. Most visitors found us because of our strong search presence on Google, particularly for generic terms such as **'lockdown tiers'**, with our pages ranking ahead of gov.uk and the BBC for a period at the end of 2020.

With older people among those most at risk of becoming seriously ill from coronavirus, we knew there was a need to produce in-depth features specifically for an older audience that delved behind the headlines and into the science. We published newsworthy, timely content from a range of contributors. This included experts, older people, and Age UK's Head of Research, an epidemiologist whose regular blog tackled subjects like R rates, social distancing, and emerging variants.

We welcomed  
**13 million users**  
to our website

We hosted just over  
**12 million website**  
**sessions** on our  
information and  
signposting pages

**Our coronavirus hub**  
welcomed over  
4 million users



## Our staff Q&A



Anna Pietrowski,  
Senior Content Manager

### In one sentence, how would you describe your job?

My job is to create compelling content for Age UK – whether that's information webpages on our website, interviews with inspiring older people or newsletters to explain to our supporters how their donations are helping.

### What was the biggest focus of your role this year?

Making sure older people and their families and friends had the information they need throughout every stage of the coronavirus pandemic. With government guidance and scientific insight changing so quickly, we've been determined to make sure we're keeping older people up to date. Working with experts across the charity, we've created a coronavirus hub on our website with pages covering everything from the vaccine programme to support bubbles, anxiety about lockdown easing to keeping in touch using digital technology. The hub is regularly updated, and we've also been working with Age UK's resident epidemiology expert on a series of articles explaining the science behind the headlines.

### What three words best describe the past year for you?

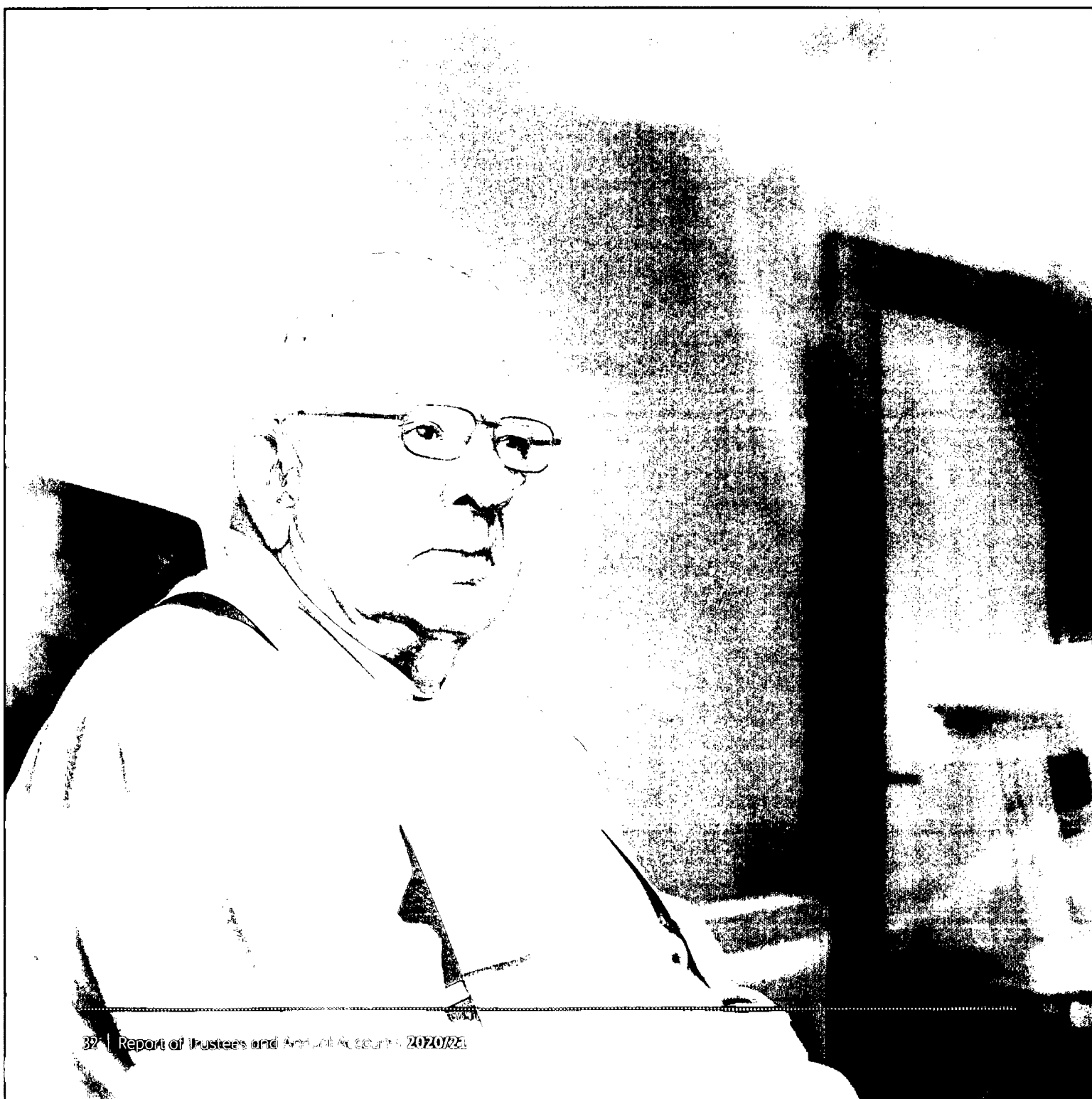
Speed, innovation, and teamwork.

### What are you most proud of this year?

The team I work with. Each person has well and truly stepped up to deliver the best possible content, despite being affected by the pandemic in their own lives. I feel very lucky to work with such creative, focused, and caring colleagues who are absolutely committed to helping older people feel informed, reassured, and supported.

## 🤝 Being there as a friend

**We've risen to the challenge** of social isolation and loneliness, made even more rife by the pandemic, with a listening ear and new friendships at a time when the importance of personal connections for good health and happiness has never been clearer.



## The pandemic year: the situation we faced

Our National Telephone Friendship Service experienced a staggering 400 per cent increase in demand during peak times during the year and a 300 per cent increase in demand compared to 2019/20. We knew we had to step up and grow the service if we were going to reach as many older people who needed friendship calls as possible. Our service matches older people with a volunteer telephone befriender for a weekly half hour chat, and in some cases a daily 'Good Day' call from our own team. All too often, our friendship calls are the only social contact an older person has all week: and hearing a friendly voice and having a meaningful conversation can make a huge difference.



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## The pandemic year: rising to the challenge

As well as facing the highest levels of demand we've ever seen, our Telephone Friendship Service has had to offer greater support and reassurance with many callers requiring more regular and in-depth calls and signposting to other Age UK services for practical support. Our Coronavirus Emergency Appeal (see page 59) provided vital funding that helped us quickly adapt our service to respond to this increased demand and changing needs, including money to welcome and train more volunteers, including some from our fantastic corporate partners. By the end of 31 March 2021, we had 3,805 volunteers supporting the service.

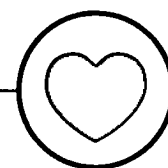
With older people telling us they wanted more than one-on-one friendships, we built on the model of group friendship calls that the Silver Line Helpline has developed over time and we now run 36 active group calls. These calls, of around six people, see friendship networks get together on the phone at least once a week. They've proved to be a very effective way to include isolated older people in social groups during the pandemic.

## Connie's story

Connie is 93 and lives alone. Lockdowns made her feel as if she was losing the ability to converse with people. Connie's daughter encouraged Connie to sign up to Age UK's Telephone Friendship Service. Connie now has a weekly call with volunteer Hayley which she describes as 'wonderful'.

*"This year has been hard. We've been encouraged all our lives to join in, be part of a group. But now, we're told to go away, to stay apart, to not go out. If I do feel brave enough to leave my home on my own, I find it so difficult. I'm so glad I signed up (to the service). I really look forward to the calls, they're definitely a bright spark in my week."*





We made over **150,000 friendship calls**

We made over **3 million minutes of calls** in total

We have **36 active group calls** for friendship networks

Our Telephone Friendship Service **supported 8,815 beneficiaries**

### Our volunteer Q&A

Emma Rayfield,  
Telephone Friendship  
Co-ordinator – Emma  
also volunteers for  
the service as a  
telephone befriender.

#### In one sentence, how would you describe your weekly friendship calls?

I find it so rewarding and it is definitely a highlight of my week.

#### What makes you #ProudtobeAgeUK?

The amount of older people that we have managed to help this year throughout the pandemic.

#### What are you looking forward to most about your work in the future?

Getting to know my telephone friend better each week, I always enjoy our calls!

### Our staff Q&A



**Ruth Lowe,**  
National Manager,  
Friendship Services

#### What was the biggest focus of your role this year?

Working to bring together the Age UK and Silver Line Telephone Friendship Services – which was a huge project and has enabled us to support even more older people. I then focused on growing the service, following a huge rise in demand during the first lockdown, which has continued throughout the year.

#### What have you been hearing from older people this year?

During the first few weeks of lockdown, some people in our service said their lives hadn't changed that much at all with many of our members being housebound and effectively in lockdown all the time. For others, their lives changed completely – and the things they had relied on to keep them going – like day centres, social groups, and lunch clubs, were gone. As the weeks passed by, we had a big increase in older people telling us that they were feeling low and depressed, feeling anxious and worried about the future, and sometimes expressing suicidal thoughts.

#### How do you think Age UK has risen to the challenge this year?

Age UK has really risen to the challenge at a time when older people needed us more than ever. I've seen such incredible passion and dedication from all my colleagues as we've worked together to support older people through the pandemic. I'm excited to see the service grow and develop even further – we've got plans to make digital improvements to our service, roll out some new resources for volunteers, and grow the number of older people we support even further.

# ♡ Being there with emotional support day and night

**We've risen to the challenge** of providing comfort, companionship, and conversation for older people by keeping The Silver Line Helpline running day and night.

## **The pandemic year:** the situation we faced

The Silver Line Helpline, a subsidiary of Age UK, is the only free confidential helpline open 24/7 which offers older people comfort, companionship, and conversation. Unsurprisingly, many callers this year said the pandemic was worrying them to some

degree, with many experiencing deep distress and anxiety – from not being able to get medical help and an emergency, to being fearful of dying alone with no one noticing.

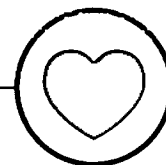


## **The pandemic year:** rising to the challenge

We've been able to keep The Silver Line Helpline open day and night with no interruption so lonely and isolated older people had someone to turn to. Similar to the Age UK Advice Line, we quickly set up our Blackpool-based helpline colleagues to be able to work from home.

Early in the year, we made the decision to recruit home-based volunteers to ease up pressure on paid staff and help us answer more calls. By the end of March 2021 we had 93 volunteers supporting the service. Our volunteers have revolutionised the service by increasing our capacity and ensuring we have a more diverse range of people answering calls, enabling a better match with our callers. The shift to home-based working was only possible due to new technology and equipment kindly donated by our corporate partners.

We answered **270,124 calls from older people**



### What have you learnt in your role?

Working on The Silver Line Helpline, you learn to listen. Every day is different.

### What have you been hearing from older people?

Things have become more difficult since the COVID-19 outbreak. There's a lot more isolation. There's a lot of anxiety from callers not wanting to leave the house, not wanting to go back to normal. It's a bit of a ticking time bomb really.

### Our staff Q&A



**Cliff\***, Silver Line Helpline advisor

### Where do you think The Silver Line can help in the future?

I think a lot of people have decided that they just won't re-engage with the world, they find the changing guidance confusing, and are very reluctant. The anxiety is going to remain for a long time. But that's where the Silver Line Helpline can help.

\*Name has been changed for confidentiality. Image shown not Cliff.

## ⊗ Being there **in communities**

**We've risen to the challenge** of helping older people in their communities by supporting our local partners and national partners throughout the pandemic – a collective and monumental effort to reach the older people most in need.



**The Age UK network consists of** Age UK, together with three national charities, Age Scotland, Age NI and Age Cymru, and over 130 local partners (local Age UKs, local Age Cymrus, and one partner to Age Scotland). The Age England Association (AEA) is the membership body for local Age UKs in England and helps us work together to achieve more for older people. You can read more about how we work together as a network on page 8.

## The pandemic year: the situation we faced

When the pandemic hit, our partners were faced with challenges they had never experienced before. Normal face-to-face services had to stop, including dementia groups, social activities, and exercise groups. Almost overnight, our partners had to deliver emergency aid in their communities and find different ways to support vulnerable older people virtually and over the phone. This was coupled with an overwhelming increase in demand for support from hundreds of thousands of older people, many of whom had never turned to Age UK before and were suddenly struggling.

Many of our partners were placed under extreme financial pressure with grant funding for face-to-face services being put on hold, charity shops forced to close, and income from paid for services and fundraising events drying up. Some local Age UKs were left with less than six months running costs in reserves.

## The pandemic year: rising to the challenge

It was a priority for Age UK to get extra funding to our local Age UK network as fast as we could. The generosity of the public, our corporate partners, charitable trusts, and grant givers who gave to our Coronavirus Emergency Appeal helped local Age UKs and our national partners to support over 800,000 older people during the pandemic. Of the £12.2 million our appeal raised (£11.5 million in year), 70 per cent went to the network, with each local Age UK getting at least £25,000. Many received more to reflect the population of older people in their area and levels of deprivation, making sure that funding went where it was needed the most.

The funding enabled them to support older people in real need, including delivering food and medication, carrying out thousands of doorstep welfare checks,

buying PPE so they could continue providing home care, and supporting older people to stay in touch with loved ones online. Many local authorities looked to local Age UKs to co-ordinate multi-agency operations, in some cases involving hundreds of volunteers. Some of our grant funding was distributed to local Age UKs and local Age Cymrus where the need was greatest, giving priority to areas with high populations of older people and/or high levels of deprivation. This funding alone supported over 620,000 older people. We also secured and distributed much-needed goods, including PPE, toiletries, food, and IT equipment, provided by a range of companies with a value of over £1.1 million (£0.9 million in year).

## Edith's story

**Age UK Wigan Borough used emergency appeal funding from Age UK to host online social activities for isolated older people in the community including 'Bright Days', a series of online quiz, bingo and sing-along sessions, and a Food Action Together Growing Club which hosted Zoom sessions on nutrition and growing produce at home.**

Edith is 87 and lives alone. Edith found the initial lockdown extremely devastating as all the contact she had with the outside world stopped overnight. Her daughter keeps in contact, but lives in the USA, so it was difficult for them to stay connected.

Edith said: ***'I wanted to stay in bed longer each day as I was suffering from extreme anxiety.'***

On the advice of her GP, Edith joined the Bright Days and Food Action Together Growing Clubs, and thinks they are 'brilliant'. She says:

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***"I wish I had found you sooner. I get up every day now and put on some nice clothes and some make up, knowing that I will actually get to see people on Zoom and have a chat – I feel so much better now."***

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## How local Age UKs used Coronavirus Emergency Appeal funding

**Age UK Mid Mersey** continued their wellbeing service for the most vulnerable older people, providing daily wellbeing calls and sending out health and wellbeing parcels.

**Age UK Calderdale and Kirklees** focused on digital inclusion, identifying which older people could best benefit from tablet technology.

**Age UK Northamptonshire** set up a 'COVID-19 Support Team' to help older people in the community who needed urgent help.

**Age UK Derby and Derbyshire** developed a 'Letter Friends' scheme, where volunteers write to isolated older people and carers.

**Age Northern Ireland (NI)** provided information and advice, care services, warm meals, and group activities in safe and secure settings as well as hundreds of 'Check in and Chat' calls to isolated older people.

**Age UK Nottingham and Nottinghamshire** set up a 'COVID-19 Information, Signposting and Advice Service' providing older people with access to life-sustaining food and medication, as well as carry out regular welfare calls to people.

## Additional support to the Age UK network

As well as offering crucial emergency funding, throughout the pandemic, we've been working with the Age UK network with more general support to help them respond. We offered resources, information, and guidance on a newly created partner digital coronavirus hub; provided in-depth bespoke support including financial assessments, guidance on closing and re-opening day centres and shops safely; and ran a series of virtual events to support the restarting of services.

## Funded programmes delivered in partnership with the network

For the last nine years, we've worked with local Age UK and local Age Cymru partners on winter warmth programmes. This year, we supported more than 19,000 older people with the help of nearly 100 partners. The programmes work to keep older people warm and well in winter, including providing energy efficiency visits to people's homes which has been far more challenging during the pandemic. Despite this, we completed over 4,000 energy efficiency checks and more than 26,000 benefit checks, identifying an estimated £51 million in unclaimed benefits.

We work with our local partners to help older people get online by showcasing the benefits of doing so and giving people skills they need. The pandemic accelerated the shift to online services, so it has never been more important for older people to be digitally included. Thanks to funding from Santander, we set up Think Digital in 2020 to engage, inspire and support people over 50 to develop their digital skills through tailored support provided by volunteer Digital Champions. Our champions, recruited by five local Age UKs and local Age Cymrus, directly helped more than 300 people to get online and the programme reached more than 2,600 people with information about the benefits of being online and how to get support. This year, thanks to generous donations from our Dixons Carphone, we provided 490 devices to older people who needed them.

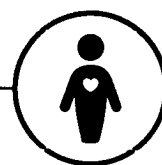


Our Later Life Goals and Building Resilience programmes delivered holistic information and advice to 1,850 older people experiencing life-changing events, such as losing a loved one, having a fall, or becoming a carer. They've delivered much-needed support in the last year and local Age UKs have been able to offer support by phone and video calling where appropriate, providing a lifeline to many older people.

In what was an extremely complex and challenging winter for the NHS, we worked with NHS England and Improvement to help reduce pressure on the NHS and improve outcomes for older people. Thirty-three local Age UKs supported the NHS and older people in the most deprived parts of the country by providing hospital transport and discharge services, or community-based wrap around support. Priority groups included older people from Black, Asian, and other minority ethnic communities, and people on low incomes, shielding, and recovering from COVID-19. We supported over 37,000 older people with help such as getting emergency food, hot meals or medicine, transport to vaccination or outpatient appointments, information and advice, respite for carers, and welfare and companionship calls. Ninety-two per cent of staff from the NHS systems involved agreed that they reduced pressure on local public health and social care resources.

Due to the practical barriers resulting from COVID-19, we had to pause delivery of some of our funded programme activities for part of this year, especially those activities requiring face to face delivery. Local Age UKs and local Age Cymrus, our funders and other partner organisations have been supportive and flexible in enabling us to shift our focus over the last twelve months and, where relevant, redirect budgets and timelines. This meant we were better able to respond to the unexpected impact the pandemic has had on the older population and delivery of our funded programmes.





**We gave 70 per cent of funding from our Coronavirus Emergency Appeal** to local Age UKs and national partners to provide front-line pandemic support

Through that funding, our partners **helped over 800,000 older people**

**We distributed over 500,000 pieces of donated PPE** to 82 local Age UKs

**We identified £51 million in benefits that older people are eligible for** through our winter warmth programmes, an average of £3,500 per person

We helped 37,000 older people **through our work to reduce NHS pressures**

## Local partner Q&A



Dianne Sherlock, Chief Executive Officer,  
Age UK Portsmouth

### How has Age UK supported your organisation this year?

I think this last year has demonstrated some of the best synergy the Age UK network has ever achieved.

### What makes you #ProudtobeAgeUK?

Age UK Portsmouth are proud to be part of the Age UK network because we are all passionate and responsive to issues that matter. I have never been prouder of working with staff and volunteers at Age UK Portsmouth; we're exhausted but still there for our communities.

### What have you been hearing from older people this year?

Older people have cried with anxiety, they've also cried with joy, but all have been so thrilled that we are there for them. They are not alone.

### What three words best describe the past year for you?

Exhausting, distressing, rewarding.

## Being there **internationally**

**We've risen to the challenge** of a global pandemic, with resilient staff, partners and volunteers working under extremely difficult circumstances to ensure that older people around the world, who needed the most support, had access to it.

**Since civil war broke out in South Sudan over seven years ago, violence and unrest has forced millions of people to flee their homes, including Angelina and her family, who lives in one of the UN Protection-of-Civilian camps with her daughter and granddaughter. But the coronavirus pandemic has brought new deprivations to internally displaced people like her.**

Age International, with our partner HDC, has distributed cloth face masks, detergent and soap in South Sudan and reached out to older people with age-inclusive information about the virus. Dehydration is a major challenge inside the camp. That's why we worked with HDC to provide regular clean water deliveries, as well as water storage drums and chlorine tablets. Angelina said:

*"The bad memories from the time of the war I cannot remember anymore. From the time I arrived in the camp I started to forget and can sleep normally. During the time of the coronavirus, we received a lot of information to stay home, to distance ourselves, but because there's so many people in one house it's hard to do social distancing. **Life is very hard in the time of coronavirus because you may find that food is there, but water is hard to find. I want to go and get water, but the water points are empty, unless you have money – then you can buy water.** But if you don't have money then you stay home and go thirsty. I'm grateful for the protection that we receive here."*



**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 world's population is growing older; however, few governments and institutions seem to understand the effects of ageing on older people, or the wider ramifications on economies, labour markets, migration, social welfare, or healthcare. In emergencies around the world, including the pandemic, natural disasters and the impact of war, the needs of older people are too often ignored.

## The pandemic year: the situation we faced

In the poorest communities around the world, older people are at most risk of mortality from the virus. Older people found it harder to access medical services, basic goods, and income, and had to deal with loneliness too. Countries with less developed health and social care systems are not as equipped to prevent and treat the virus.

We changed our programmes to adapt to lockdown restrictions and social distancing, and provided older people with hygiene kits (PPE, soap, hand sanitiser), educational information on preventing the spread of COVID-19, food and water supplies, mobile health units, and mental wellbeing support.

## The pandemic year: rising to the challenge

For older people around the world living in fragile places or having fled conflict at home, coronavirus brought renewed fear and hardship. We worked with our delivery partner, HelpAge International, and local partners to reach thousands of older people in over 25 countries in Africa, Asia, the Middle East, and Latin America with vital support, helping to protect them and prevent the spread of the disease. This included the Cox's Bazar refugee camp for Rohingya refugees in Bangladesh and older people living in conflict-affected South Sudan and Syria.

From initiating new emergency COVID-19 projects, to adapting long-running programmes – we had to tailor our response to meet the needs of older people and their families during the pandemic. In some countries we ran 'Rapid Needs Assessments', which saw us speak to older people to understand how they were being affected and what we could do to help.

Working with our delivery partner, HelpAge International, we supported them to reach over 432,530 people with direct support across over 25 countries, including providing mental health and medical support, ensuring people had basics, such as hygiene kits, hand washing facilities and essential items, like food and medicine. We also worked to ensure that older people were made aware of the virus and how to prevent the spread with accessible messaging, reaching over 1 million people with information and advice about the virus, via radio, leaflets and word of mouth, and elsewhere we are training front-line staff and volunteers so they can deliver the best support possible, working alongside expert medical teams and carers.

## Zokir, Cox's Bazar, Bangladesh

We've been working hard to support thousands of older people living in Cox's Bazar refugee camp in Bangladesh. Many have already gone through so much to arrive at the relative safety of the camps, but coronavirus has brought renewed hardship and fear.

Working with our partners HelpAge Bangladesh, we adapted and enhanced existing services provided in our Age Friendly Spaces, which includes healthcare and psychological support, to help older people prepare for the virus and reduce its spread.

Zokir Ahmad, 73 arrived at Cox's Bazar refugee camp three years ago with his son and wife as Rohingya refugees. Zokir visits Age International's 'Age Friendly Spaces' at least four times a month.

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*"I have many health issues. Because of COVID-19 I feel fear. Every time I visit the 'Age Friendly Spaces' I feel safe, because they are taking care of us. There are doctors, physicians who are giving us free services. I receive medicine for free. We also receive various things like a wooden cane, clothes, nutritious items and sometimes money as allowance from the space. If we did not have this support, what would we do in this old age? I feel bad when I remember about our land. Any day I may die, and I would never again see the soil where I was born. We are thankful to spaces like this which makes us feel like we have a family."*

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**We are proud to be the UK member of HelpAge International, working together to deliver our programmes and influencing work. Age International provide a majority of HelpAge International's income for programmes to support older people. With this support, the HelpAge Network has improved the lives of millions of older people in the following ways:**

Reached more than **432,530 people with vital COVID-19 support** in 25 countries

Gave **hygiene kits to 113,000 older people** in 11 countries

Gave **information to more than 9 million older people** in six countries

Gave **3,000 packs of staple food to older people** in three countries

## Our staff Q&A



Poppy Walton,  
Senior Programme  
Development and  
Funding Manager

### How do you think Age International has risen to the challenge this year?

I feel the whole organisation really kicked into gear in a short period of time, and we did this while all navigating new ways of working and with huge personal challenges, as we weren't immune to the direct impacts of COVID-19 either. As an organisation we've learned how to work closely together from a distance, and I think the collaboration between teams might be stronger than ever.

### What do you wish you had known at the start of the coronavirus outbreak?

That it was going to be a marathon and not a sprint. I am not sure if that knowledge would have meant I'd have done anything differently in the first few months, but I might have been better mentally prepared for what lay ahead, and still does.

### What three words best describe the past year for you?

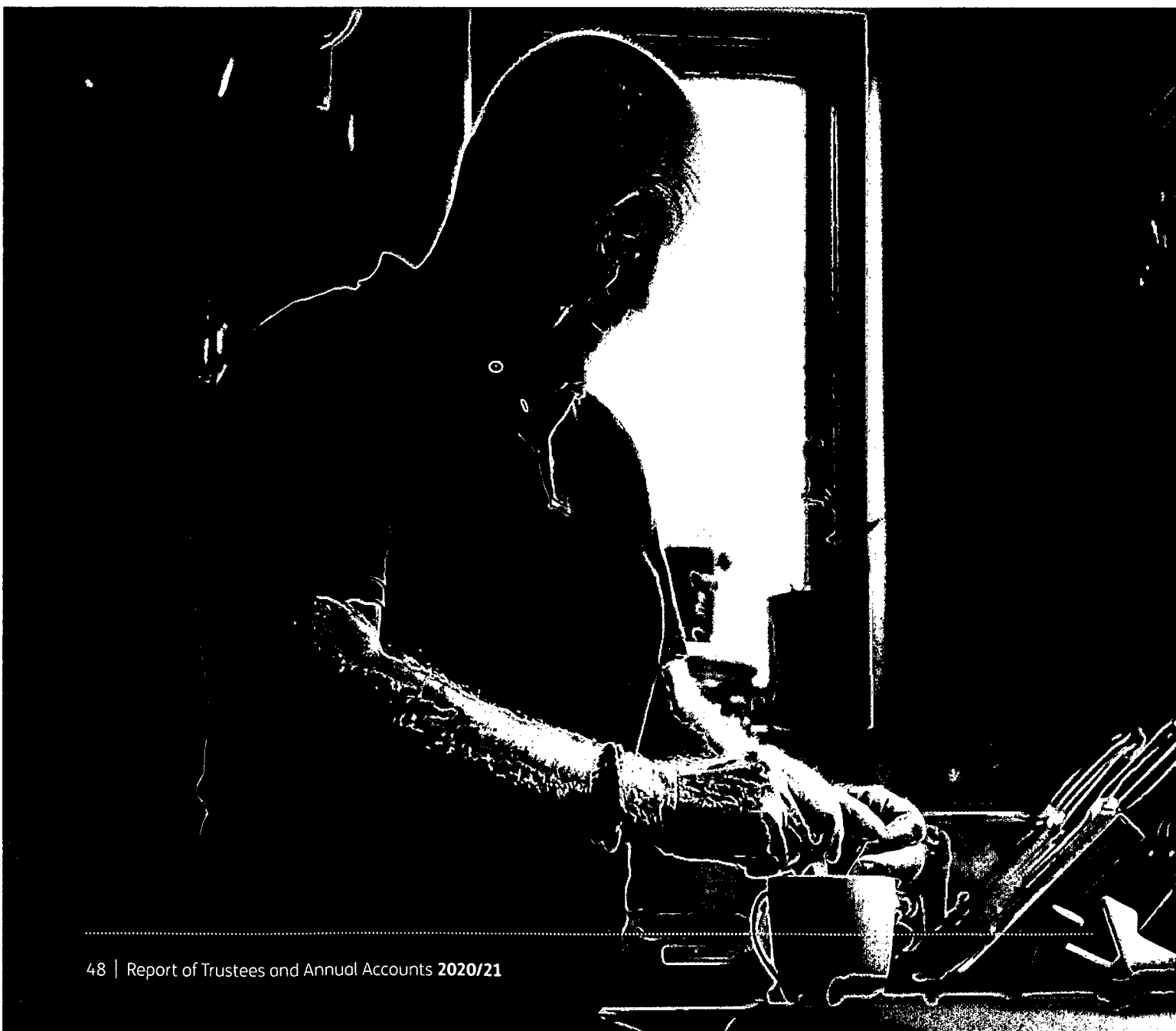
Speed, innovation, and teamwork.

### What are you looking forward to most about your work in the future?

Healthy Ageing is one of our priority areas of work, and its front and centre on the global stage right now. We are moving into the UN decade of healthy ageing, and I am especially excited about how our work in this area is going to grow.

# Our plans for 2021/22: **rising to the challenges of the future**

**We talk in this report about the pandemic year, but of course the pandemic is far from over in this country and around the world.** While in the UK the vaccination programme has seemingly broken the connection between infection and death rates, what will happen next remains something of an unknown. This means that society, and we as a charity for older people, cannot look to the future with any sense of complacency or relief.



The pandemic has devastated countless lives, and older people, their families, and friends, have borne the brunt of the crisis. They continue to do so, especially older people who faced disadvantage, inequality, and inequity before the pandemic, and particularly where those factors overlap, for example in Black, Asian, and other minority ethnic communities. But we have seen a new cohort of older people turn to us, people who were just about coping before who, because of the consequences of the pandemic are no longer doing so. We are deeply concerned about these longer-term consequences on the health and wellbeing of older people. The depth and breadth of need is greater, and we must keep rising to the challenge.

That we as an organisation have emerged from the pandemic on a firmer financial footing than we anticipated, thanks to boldness in fundraising, decisive action to cut costs early in the pandemic, and government support, means we are better able to do so.

Our current strategy runs to April 2022. In the next year we will review our strategy within the context of a much-changed world, and where many of the drivers for change that we considered in 2019 have become more urgent, and of a larger scale. Our next three to five years from 2022 will be pivotal. We will need to be more ambitious, and more focused on what delivers the most life-changing impact for older people. The older people most in need will remain a key priority, but with the pandemic's reach into and impact on millions more lives, we will need to consider how we best help those people to recover independence they have lost. This will require us generate more income and do more with the money we have, while improving our technology, operating models, and ways of working to be more effective and efficient.

Age UK's success is intertwined with the success of the network. We are stronger together, and when united in common purpose are much more than the sum of our parts. Community support has never been more important, and with the burgeoning of community-led mutual aid groups, and support for local Age UKs, there is much to capitalise upon. In partnership with local Age UKs and our national partners, we will work to secure a better future together, one founded on common principles, common purpose, common values, and mutual respect and partnership. We will complete the foundations of this work in 2022/23.

In 2021/22 our plans include:



We campaign  
and research

Continue to fight for **comprehensive reform of the social care system**

Work with the NHS to support the **recovery from the pandemic**

**Promote Pension Credit**, defend the Triple Lock, and campaign on poverty



We provide information  
and advice

**Expand national information and advice services** to support more older people

**Grow Silver Connects**, our advocacy service

Improve the integration of **national and local information and advice services**

Identify partnerships to provide **support to older people who have been bereaved**

Continue **Later Life Goals, Building Better Lives, and Building Resilience** programmes



We improve health  
and care services

**Improve the reach of health and care services** delivered by the network

**Begin the wider roll-out of Dementia Maintenance Cognitive Stimulation Therapy (MCST)** activity and provide dementia training for staff and volunteers network-wide

**Build on NHSE** home from hospital/ winter pressures activity

Continue the development of a Quality Assurance Framework to drive the adoption of **people centred approaches and continuous improvement**







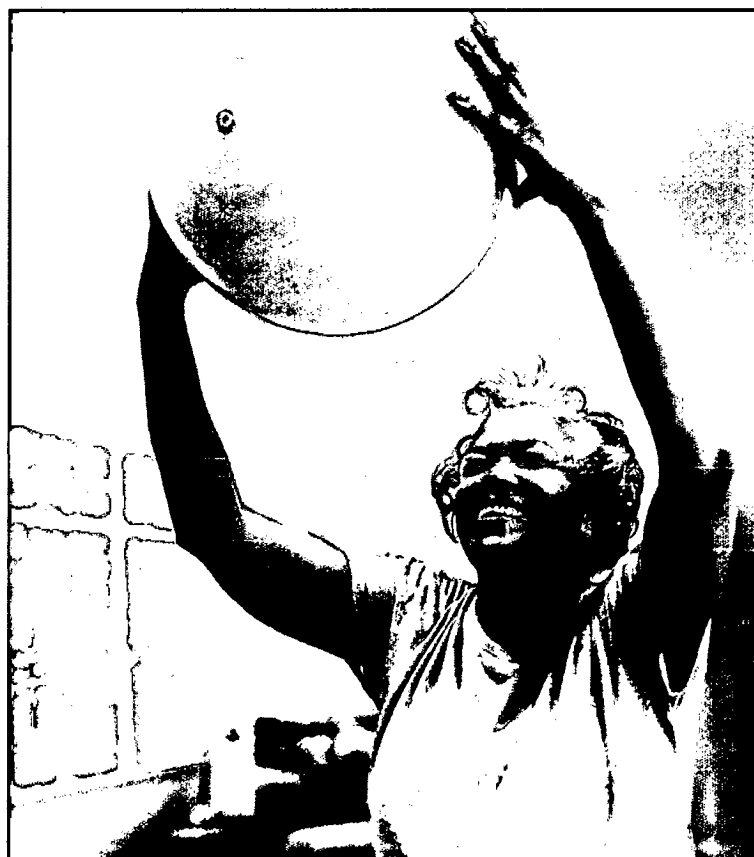
We deliver wellbeing programmes and service

**Expand the Silver Line Helpline** to support more older people

Launch our Sport England/ Football Association-funded **Walking Football programme**

**Expand our digital inclusion programmes** learning from our experiences of remote support during the pandemic and using device loans

Provide funding and support to local Age UKs to **deliver physical activity sessions, responding to Age UK** research about the impact of the pandemic on physical health



We support the Age UK network

**Continue to work with the network on foundational strategic programmes**, including quality, infrastructure, and data

Support the network to **continue their response to the pandemic** and build financial and organisational resilience



We work internationally

**Continue to respond to the ongoing COVID-19 emergency** and the overall effect the pandemic has had on older people

**Fight to ensure that older people's needs are met** during the escalating climate emergency and that no one is left behind

**Highlight the often-unacknowledged economic contribution of older women** and the importance of securing a just and decent income in later life

# Our people and **organisation**

**We're proud of the way our staff and volunteers have worked together** and risen to the challenge of supporting older people through what has been a difficult year for everyone.



## ▸ **The pandemic year:** the situation we faced

Like so many organisations, the pandemic has turned the way we work upside down. For our 1,400 employees and over 7,500 volunteers, it's been a year of big changes in the way that we work, volunteer, and are there for older people.

Our charity shops have been hugely affected, opening for only five months of the year, and following strict protocols when open to keep our customers and staff as safe as possible. Due to lockdowns, our shops were closed from March 2020 until a phased re-opening from June to September 2020, followed by a full closure from 5 January 2021 until 12 April 2021. In March 2020, we also shut the doors to our London, Ashburton, Bath, and Blackpool

premises, and our staff quickly adapted to working from home, including those staffing our vital front-line services – the Age UK Advice Line, The Silver Line Helpline, and our Telephone Friendship Services. The vast majority of our non-shop staff worked remotely for the remainder of the year and continue to do so.

Our financial challenges, largely caused by the necessary closure of our shops for most of the year, but also the cancellation of some fundraising events (see page 59) meant we had to make some difficult choices to maintain financial stability and protect our front-line services for older people.

## The pandemic year: rising to the challenge

### Difficult choices

Sadly, and with much regret, the consequences of the pandemic on our income, meant we consulted with staff about making redundancies. We took the decision not to re-open 133 of our shops after the first lockdown, which meant saying goodbye to 330 colleagues in our retail division. We had to make approximately 50 additional redundancies across the Charity, shared services, and Age Co in the summer of 2020. This was a very difficult time as, through no fault of their own, people lost their jobs and we lost respected and valued colleagues. We wish it could have been avoided but there was no alternative.

The furlough scheme has been a lifeline and helped us avoid further redundancies. We're thankful to our colleagues who have been furloughed (at 100 per cent of salaries, as we decided to top up the Government's contribution). In March and April 2020, we furloughed our shop team of over 1,100 staff, due to shop closures, but also around 200 other colleagues whose work under normal circumstances was important but either couldn't be done during lockdown or wouldn't be as vital while we

switched to a crisis response. Our shop staff and some retail management positions continued to be furloughed whenever our shops were closed. In November 2020, we asked managers who worked outside of retail or our front-line services to consider using flexible furlough in their teams where practical and possible. With a retail operating loss of £24.5 million, the threat of further job losses was very real, and our use of the furlough scheme helped us avoid that situation.

We also removed the enhancement of our employee pension scheme to protect our charitable activities, saving circa £400,000 per year. Age UK now provides a 6 per cent contribution for anyone who contributes 2 per cent to their pension or more, instead of additional enhancements for people who contributed over 4 per cent. Pensions are deeply important to us and we're proud that our employees continue to receive a generous contribution (double what we're required to contribute by law). We've made this change for three years during the period of our financial recovery plan and are keeping the decision under review.

### New ways of working

Most of our office-based staff started working remotely shortly before the first national lockdown announcement in March 2020. We enabled a quick and relatively seamless move of previously office-based staff to laptops, Microsoft Teams, a new VPN, and other technologies, accelerating work already well underway to improve our IT.

### Looking after the wellbeing of our people

We know that working at home or being furloughed for significant periods of time hasn't been easy. We've checked-in on people's wellbeing and run

mindfulness sessions, online yoga, and remote wellbeing support groups. We've sent out quarterly wellbeing newsletters, developed a wellbeing hub on our intranet and encouraged staff to suggest ideas for 'good habits' at Age UK, leading to the adoption of initiatives like no meeting lunch hours and shorter meetings. At the start of the pandemic, we launched fortnightly virtual staff briefings for our non-shop-based colleagues, a practice we've continued and one which has proved popular. We have two Employee Assistance Programmes, as well as colleagues who are trained mental health first aiders, and we've actively promoted this support to all employees.

We've surveyed different groups of staff at three points during the year to check in on their wellbeing, ask for their experiences of working from home or furlough, get their thoughts on future ways of working, and equality, diversity, and inclusion at Age UK. Our most recent survey with our remote working colleagues in March 2021 showed encouraging results about how people were coping and managing their wellbeing, with 72 per cent feeling they had a good work life balance, 68 per cent feeling resilient and 79 per cent feeling supported by their line manager. There were also strong results about people's ability to do their work and the enjoyment they get from it with 83 per cent of colleagues feeling productive and 79 per cent feeling they had a strong sense of purpose in their job.

### Looking after our people's learning and development

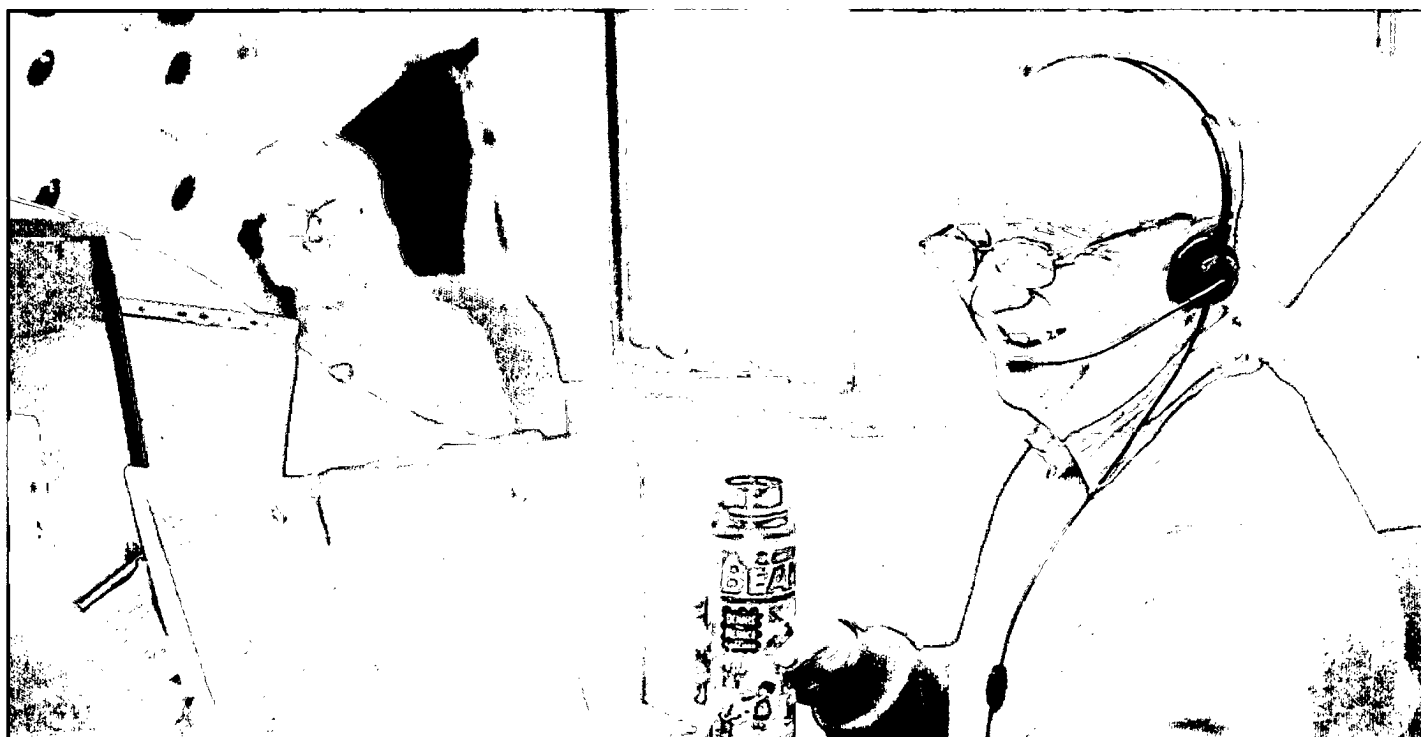
As we had to cancel all face to face learning this year, we introduced 30 new online lessons on our digital learning platform, focusing on; resilience, managing change, skills for managers, digital skills, as well as outplacement support and training for our retail colleagues. We wanted to ensure that we

continued to give new starters a warm and helpful welcome to Age UK, even if they weren't physically joining us at a workplace. We've introduced a new starters online hub as well as virtual induction sessions with smaller wrap around sessions to help staff understand benefits, and digital and technology at Age UK.

### Equality, Diversity, and Inclusion

Equality, diversity, and inclusion (EDI) is deeply important to Age UK. We champion equality and fairness for older people and in turn we're committed to being an inclusive employer and valuing the diversity of our people.

We have been working with Director Diversity Champions, our EDI steering group, and colleagues across Age UK to bring about positive changes in our policies, practices, and culture. We've held listening and sharing events with our staff, starting with a focus on race during the peak of the #BlackLivesMatter protests, so they can hear about the lived experiences of colleagues with protected characteristics. We've used our staff surveys to collect more information about how our staff feel we tackle equality and inclusion at Age UK, whether they think Age UK values and respects diversity and



difference (76 per cent said we did, including 74 per cent from Black, Asian, and other minority ethnic backgrounds) and whether people feel they have been bullied or harassed (encouragingly, we have very low levels of unacceptable behaviour). These results don't include our shop staff who we will be surveying in 2021/22.

Armed with this feedback we're prioritising three areas of action for our EDI work, with a focus on race and ethnicity, and disability: improving engagement and awareness; redesigning our recruitment approach; and introducing training to break down barriers. We're also tackling the Gender Pay Gap, which this year increased in Age UK, the charity, to a median of 22 per cent (2019: 16 per cent) and fell to 0 per cent (2019: 4 per cent) in Age UK Trading CIC, which employs our shop and shared services staff. The statistics are distorted to a degree by our workforce demographics in Age UK, the charity, which are 76 per cent female. While 64 per cent of staff in the upper pay quartile are female, this is lower than the percentage of female staff overall. Our focus then is to move more female staff into higher paid positions or bring in new female staff at that level. You can read more on our website. This is only the start of a longer journey, but it's one we are absolutely committed to.

## Safeguarding

We have a legal and moral responsibility to protect from harm everyone who encounters our organisation, including beneficiaries and customers, but also our staff and volunteers. Regular in-depth reports on safeguarding concerns are shared with our Audit and Risk Committee and by Sharon Allen, our safeguarding Trustee lead, with further discussions and actions taking place if necessary, and the Board of Trustees receive and review an annual safeguarding report.

This year has seen a 35 per cent increase in safeguarding concerns reported to our Safeguarding team to 482 (2019/20: 357). Two peaks correlated with national lockdowns in April and December 2020. We received 74 (2019/20: 37) reports relating to domestic abuse, an increase which is in line with national patterns of reporting.

We've made several improvements to our Safeguarding practices this year including:

- Completing a training audit, which has been used to redesign our e-learning induction programme, trainer-led courses, and the development of a refresher programme.
- Raising awareness of the impact of domestic abuse on older people by providing internal training and training for external audiences including GPs, the Crown Prosecution Service, and safeguarding professionals.
- Designing and delivering an online module for corporate and public volunteers who have joined The Silver Line in large numbers this year (see page 36).

## 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 (see page 87). 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. Given the financial constraints we faced this year, Trustees decided that no pay award would be made, and Charity Executive Directors agreed to take a temporary six month pay cut of at least 15 per cent for six months. 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.

## **Our plans for 2021/22:** rising to the challenges of the future

We've learned a lot this year about engaging with our people and checking in on their wellbeing through staff surveys and pulse surveys, and we'll continue doing this in future, particularly as we make decisions about how we will work in a post pandemic world. This year, Age UKs Trustees approved a plan to exit our London office in Bloomsbury and relocate to a smaller London hub that will save money and support a new hybrid way of working. Like staff and organisations UK-wide, we have learned during the pandemic that much of our work can be undertaken at home just as effectively, or even more so, than in the office. Our staff surveys asked what our people thought, and more time at home and less time in the office was the clear preference. We know it's not for everyone, and that people's individual circumstances can make working from home very difficult, so our new London hub will offer a place to go, to meet colleagues, and to collaborate.

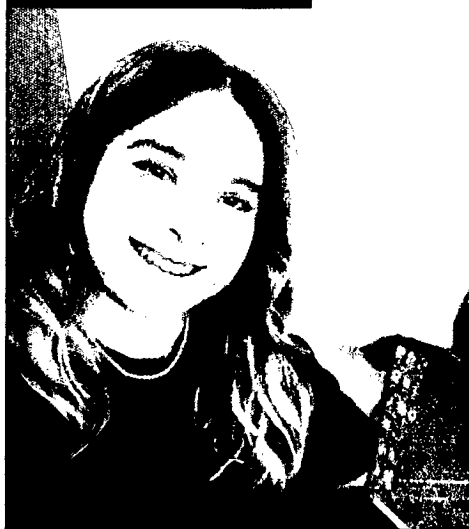
As we continue to adapt to new ways of working, we'll be refreshing how we support our staff to learning and develop. We'll work with our managers to find out what learning and development needs they have and the assistance they need to support the wellbeing and mental health of their teams. We'll be improving our learner manager systems and refreshing several e-learning courses to ensure that our training is fully compliant in areas like data protection, safeguarding, and health and safety.

Successful hybrid working is underpinned by a strong digital and technology infrastructure, and we'll continue to build on the big strides forward we made during the pandemic, acknowledging that the technology for hybrid working is more challenging than purely home or office-based working. The pandemic has accelerated the move to 'digital first' ways of working, with digital and technology enabling much of what we do both charitably and organisationally. We will invest in digital to improve our services for older people and enable us to work more effectively, efficiently, and securely, including updating our retail IT, kitting out our new London hub, unlocking the power of our data, and increasing our information security.

Our response to the pandemic has meant that we've welcomed more volunteers to support our services this year, including a significant increase of volunteers on The Silver Line Helpline (see page 36). We'll be focusing on making sure that our safeguarding policies, procedures, and training support our additional volunteer base. We'll also be introducing standards of conduct for all staff and volunteers, implementing a new e-learning module on Whistleblowing, and keeping the issue of domestic abuse and its impact on older adults in the spotlight, both for our staff and volunteers, but also our external stakeholders.

One area where we have identified where improvements could be made to improve the diversity of our workforce is in our recruitment processes, so we'll be working in 2021/22 to change how we do so, including how and where we advertise for roles, the job descriptions we use, how we ask people to apply, and how we interview and select.

## Our staff Q&A



Alysha Adams,  
People Development Manager

### In one sentence – how would you describe your role?

I feel the whole organisation really kicked into gear in a short period of time, and we did this while all navigating new ways of working and with huge personal challenges, as we weren't immune to the direct impacts of COVID-19 either. As an organisation we've learned how to work closely together from a distance, and I think the collaboration between teams might be stronger than ever.

### What are you most proud of this year?

Being resilient in a time of great challenge. Joining Age UK virtually I've learnt new skills to be able to understand the organisation and develop relationships in this new environment. I'm most proud that I've remained positive and been able to support and inspire other people.

### What are you looking forward to most about your role in the future?

I'm excited for people to see more of the work that we're doing and for it to improve their experience of working at Age UK, particularly within the area of wellbeing. I'm so passionate about the work that Age UK does and couldn't ask for more wonderful people to be doing it and I can't wait to contribute more to Age UK's culture.

## Our staff Q&A



Anne Marie James, EDI  
Workforce Development Lead

### In one sentence – how would you describe your role?

My role supports the Charity in becoming a more diverse and inclusive organisation. This year my role had a number of focus areas but most importantly working with Training Consultants to develop EDI Training for all levels of staff.

### How do you think Age UK has risen to the challenge this year?

I believe Age UK has risen to the challenge this year by remaining resilient and positive while supporting its beneficiaries and staff and remaining true to its values. I am most proud of how we have continued to support those who need us the most.

### What three words best describe the past year for you?

Humbling, Appreciation, Support System.

# Fundraising

**In a year like no other, our amazing supporters stood by us when we and older people needed you.** You helped us to raise almost £87 million, enabling us to deliver extra support to older people throughout the pandemic and today.

Fundraising is our most significant source of income, powering all we deliver for older people. In 2020/21, 68 per cent of our gross income came from fundraising activities (2020: 52 per cent) and gross fundraised income increased by 28 per cent on the prior year to £87 million (2020: £68 million).

This exceptional increase was largely due to the success of the Age UK Coronavirus Emergency Appeal, alongside unprecedented levels of grants and funding from corporate partners – £7.4 million more than in 2019/20, and a significant increase in donations and gifts from the public.

## **A note of thanks from our Fundraising Director, Laurie Boulton**

Two weeks before the start of this financial year we had launched our very first UK emergency fundraising appeal, 'The Age UK Coronavirus Emergency Appeal', receiving unprecedented levels of giving in the first four months of the year, and ultimately delivering an extra £12.2 million (£11.5 million received in year) to provide real-time emergency support to older people.

Our work during the pandemic has led us to be awarded 'Fundraising Team of the Year' at the Third Sector Awards for Excellence.

We're tremendously thankful to the great British public who came through for older people during a real time of need and to every corporate partner and grant maker who recognised that older people needed your help. Fundraising powers our work. We simply would not survive without the kindness and commitment of our supporters. That has never been truer than now.

I'd like to say a personal thank you to everyone who stood with us this year. From long standing partners, supporters of Age UK, to new donors and friends; a tremendous boost for Age UK and older people at a crucial time. I'm thankful to have you on board as we continue to do more great fundraising to help older people.





## The pandemic year: the situation older people faced

At the start of the pandemic in March 2020, we saw demand for support for Age UK's services soar at an unprecedented rate – from older people all over the country. Evidence quickly emerged that older people were disproportionately likely to become seriously ill or die because of contracting coronavirus. Millions of older people were advised to shield at home, often alone, facing a miserable, frightening, and uncertain future, with no idea how long shielding would last or what the outcome could be. In these incredibly difficult circumstances, older people were in dire need of reliable practical support, information, advice, and friendship.

## The pandemic year: the situation we faced

There was a very real risk of Age UK being overwhelmed by demand, but we were determined to rise to the challenge. The pandemic turned many forms of our fundraising upside down. Income from fundraising events was immediately hit, and many of our face-to-face wellbeing programmes for older people were halted, affecting the restricted funding we receive to deliver those.

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## The pandemic year: rising to the challenge

At the outbreak of the pandemic, we immediately knew we had to spring into action to ensure our national front-line services could continue to deliver up-to-date information and advice and telephone friendships at a time when older people needed us more than ever. It was also very important to us to be able support our network of local Age UKs who stepped up to the challenge that the pandemic posed with incredible tenacity and levels of support.

We launched our Coronavirus Emergency Appeal just before the end of the 2019/20 financial year, setting ourselves the ambitious challenge of raising £10 million. By July 2020 we had exceeded it, raising £12.2 million in total through the appeal (£11.5 million in year). The appeal saw us experience new levels of generosity. Corporate partners were by far the biggest financial contributor, with over 90 businesses giving a total of £7.6 million (£6.8 million in year) including Barclays, Aldi, and Santander.

The pandemic pushed us to be much bolder with our fundraising, trying new approaches, appealing to new audiences, and setting ourselves ambitious targets. For our Coronavirus Emergency Appeal, we produced over 40 different fundraising creatives, including TV, press and radio adverts, door-drops, inserts, social media, digital banners, and posters. Celebrity and VIP support was like nothing we have ever experienced at Age UK. We managed engagements and activities with 80 celebrity supporters, including David Beckham and Ben Fogle.

## Donations and gifts

The work of Age UK would simply not be possible without the generosity of the public. Each year thousands of supporters make one off or regular donations to support older people. This year, income from donations and gifts was £27.7 million (2020: £13.5 million).

Donations and gifts were our biggest source of income this year. It's an area that has seen huge growth, thanks to the generosity of existing and new supporters who were moved by our Coronavirus Emergency Appeal.

This year, we saw supporters of all ages fundraising for Age UK by dressing up, running around their gardens, virtually climbing Everest, singing, dying their hair, quizzing, hoola-hooping, all making sure that we could be there for older people who needed us the most during the coronavirus outbreak.

It is important to recognise an outstanding donation of £3 million from the Association of British Insurers' COVID-19 Support Fund, an initiative with the Charities Aid Foundation, which will fund a three year 'COVID-recovery' programme supporting older people with mild to moderate dementia and their carers.

## Photo Story

**Sean Wilson a former Royal Marine completed around 15,000 laps of his six-metre flat in Colchester to run 100km and raised £6,764 for our Coronavirus Emergency Appeal.**

*"Thinking of the older folk who have nobody to talk to or ask for help absolutely breaks my heart and as a result of that I've decided to help."*

**Scott (7) and Oliver (5) set themselves the challenge of climbing the height of Everest (8848m) on their staircase to try and raise money to help support people most affected by coronavirus. They raised £1,581 for our Coronavirus Emergency Appeal.**



Our annual Christmas campaign, 'No one should have no one' raises awareness of the challenges getting older can bring, such as coming to terms with a bereavement or becoming a carer for a loved one. It calls on the public to donate to help Age UK be there for the older people who need us the most. This year the campaign raised over £1.1 million, with

thousands of supporters setting up regular gifts, making one-off donations, or texting to donate. This year, we wanted to highlight the fact that the pandemic had intensified the loneliness epidemic that was already persistent amongst older people and that December 2020 saw many older people facing their loneliest Christmas yet.

Our fundraising and awareness campaign 'No one should have no one' featured three Age UK beneficiaries – Roy, Marjorie, and Amrita.

## Photo Story



If you'd like to help older people by donating or fundraising for Age UK, please contact our Supporter Engagement team on **0800 169 8787** or at **[fundraise@ageuk.org.uk](mailto:fundraise@ageuk.org.uk)**.

## Legacies

Our income from legacies totalled £23.1 million (2020: £24.9 million). As the UK works to get back on its feet, our attention is firmly on making sure the older generation is not left behind. The generous gifts left in our supporters' wills also ensure we can be there for future generations of older people, whatever may come our way.

## Grants, corporate partnerships, and trusts

We received £25.2 million (2020: £17.8 million) from corporate partnerships, charitable trusts and foundations and other grant giving bodies. In addition, companies donated over £1 million through gifts-in-kind such as free airtime and advertising space, PPE for staff and volunteers at local Age UKs, donated IT equipment and pro-bono expertise, plus thousands of hours of staff volunteering.

## Photo Story

**Recently, we received a gift in a will from our long-term supporter Leslie Albert Smith.**

Before Leslie sadly passed away in 2019, he loyally supported our work for an incredible 40 years and often used our Information and Advice services. When it came time for Leslie to write his will, he considered which charities were important to him and decided to leave a gift in his will to Age UK. Leslie's niece Deborah lovingly spoke of her late uncle's 'strong connection to Age UK' and how when he celebrated his 90th birthday, he chose to do it with us, at a coffee morning held at our Tavis House café in London.

**Kind gifts in wills like Leslie's helps us to continue our vital work. From providing weekly friendship calls, to helping older people access the vital advice and support they need – gifts in wills to Age UK are a lifeline for those who have nowhere else to turn.**



This exceptional result was largely due to the generosity of existing and new supporters who responded so quickly to our requests for help to support older people through the coronavirus pandemic and beyond.

We were fortunate to receive funding from Comic Relief's and Children in Need's 'Big Night In' coronavirus telethon, which took place on 23 April 2020, including matched funding from the Department for Culture, Media, and Sport. We were also one of a handful of national charity partners for the National Emergencies Trust Coronavirus Appeal, receiving a grant of £1.5 million to support Age UK's national telephone-based services as well as the work of our partners The Silver Line, Age Scotland, Age Cymru and Age NI.

We received some exceptional grants from charitable trusts this year, many of whom have been supporting Age UK for several years, equally a number chose to support us for the first time, and we hope to be able to rely on their support in future years.

So many of our corporate partners donated and fundraised for Age UK throughout the year in truly exceptional ways – and we're grateful to each of them. We saw phenomenal support from large financial companies such as Santander, Yorkshire Building Society and Barclays as well as the retail, technology, and healthcare sectors.



**As soon as it became clear that older people were being adversely affected by coronavirus, our long-term corporate partner Santander was one of the first to offer its support.**

As well as making a generous donation to help to ensure that we could keep our vital services running, Santander launched a campaign to incentivise their employees to volunteer to support Age UK and its other charity partner, Alzheimer's Society.

More than 500 employees signed up to help Age UK over the course of the year – from making friendship calls to lonely and isolated older people, disseminating important information in their local areas, or supporting local Age UKs on the frontline in their communities. Santander employees turned out for Age UK. Alongside this, Santander launched a TV advert with national treasures Ant and Dec to raise awareness of the issues affecting older people. This was the highest rated COVID-19 advert from any UK advertiser.

We're so grateful to Santander and its employees for their commitment to helping older people during the most challenging of times.

## Lotteries and raffles

Age UK's society lottery (including our raffle) income totalled £10.9 million (2020: £11.5 million). The lotteries and raffles programme supports three specific areas of Age UK's work under three Society Lottery licences: information and advice; education and research; and local programmes. In 2020 we gave out more than 48,000 prizes in our Friday draw, 65,000 prizes in our Tuesday Treat draw, 20,000 prizes in our Superdraw, and 40 prizes in our raffle. Our lottery players have the chance to win weekly prizes that range from our quarterly prize of £25,000 cash to vouchers for well-known retailers. Due to the pandemic, we paused all marketing of our lottery and raffle products in the summer of 2020, this led to a shortfall of income compared to 2019, but we strongly feel that it was the right thing to do in the circumstances.

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***"I was overwhelmed to discover I had won a prize in the lottery. This win will make life financially easier for this 86-year-old who can now afford a gardener, and if fit enough, to cruise the Norwegian fjords."***

**Mrs W, Age UK Lottery Superdraw Winner  
(September 2020)**

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## How we fundraise

The fundraising team at Age UK has a responsibility, in line with charity law, to raise funds in the most effective way possible to deliver our work for the older people most in need. We do this in conjunction with our commitment to high ethical standards and practices reflected in our Fundraising Charter. Our fundraising activities are delivered both in house as well as utilising the specialist skillsets of third-party agencies when required including but not limited to, fulfilment services, media agencies, creative agencies, and call centres. Age UK only works with agencies that align with our values and all third parties are monitored regularly. We take a supporter-led approach to our fundraising, which means we offer a variety of ways that the public can engage with our fundraising. It is important to us that our supporters find a way to give to us that works for them. This includes, but is not limited to, making one-off or repeat donations, taking on a challenge, and asking their networks to support them, buying a lottery or raffle ticket, or leaving a gift to us in their will.

## Ensuring positive fundraising

Our aim is to ensure that engaging with Age UK's fundraising activities is a positive experience and that donors and the public are always treated with respect, fairness, honesty, and clarity. Age UK is regulated by the Fundraising Regulator and therefore complies with the Code of Fundraising Practice and the Fundraising Promise. Age UK is also a member of the Chartered Institute of Fundraising, and we collaborate with them to strive for the highest standard of fundraising practices across the sector. We regularly review our fundraising approach and work with others with the aim of promoting best practice across the charity sector.

## Keeping our supporters' data safe

We take the role of protecting and using supporter data in the right way very seriously. Our Chief Data Officer and Information Security team continually review how we securely and safely store, manage, and destroy personal and sensitive information. We maintain a strict adherence to the Data Protection Act 2018 and record supporters' preferred methods of communication.

## Fundraising through third parties

Rigorous contracts are in place with third party agencies, and we require strict adherence to applicable laws such as the Fundraising Regulators Code of Fundraising Practice as well as data protection laws. There was no outbound telemarketing or face to face fundraising done within this financial year.

## How we monitor fundraising

Age UK uses a broad variety of fundraising channels to engage our diverse supporter audiences to raise funds for the Charity and provide updates on the impact of donations. We also gratefully receive donations of clothes and goods to our shops. All fundraising activity is subject to an approval process that is supported by our Fundraising Compliance Manager and legal team. The performance of fundraising campaigns and our third-party suppliers is regularly reviewed and is overseen by a quality assurance process. We are consistently looking to hear feedback from supporters and internal and external stakeholders to deliver a high standard of performance and compliance.

## Protecting the privacy and data of our supporters

We remain committed to protecting and respecting the privacy of all our supporters. We have continued to work closely with our partners across the Age UK network to ensure that all individuals' data is captured, stored, and used compliantly and with the utmost care. We have focused on strengthening the existing collaboration and processes with our suppliers and agencies in respect of personal data. We have continued to adjust our privacy policy to better reflect

the nature, scope, context, and purposes of processing that the organisation undertakes. The full version of our privacy policy can be found at: [www.ageuk.org.uk/help/privacy-policy](http://www.ageuk.org.uk/help/privacy-policy)

## Addressing people's concerns

Over the course of 2020/21, we received 618 complaints about our fundraising practices. In 2020, we saw unprecedented levels of support from new and existing supporters in response to our Coronavirus Emergency Appeal. The postal mailing appeal generated 66 complaints from individuals who were not able to donate due to financial or personal circumstances, largely as a result of the pandemic. Despite record numbers of donors giving one off gifts, and setting up new direct debits, complaints about fundraising activities fell by a total of 72 compared to the previous year.

## Protecting vulnerable people

Our policy on fundraising with people in vulnerable circumstances is followed by all our fundraisers. Our Fundraising Compliance Manager reviews all fundraising materials and provides training to our fundraisers, and those fundraising on our behalf, when required. In addition, we incorporate the Institute of Fundraising's 'Treating donors fairly' guidance into our fundraising. We regularly review our fundraising marketing channels and propositions and take on feedback from our supporters and the public. Training for Age UK and third-party fundraisers on identifying and supporting potentially vulnerable supporters is regularly delivered and reviewed, supported where required by our Safeguarding team.

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*"I gave to Age UK because of the **excellent services and the lifeline that they provide to so many people throughout the UK.**"*

**Janice**

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## Our plans for 2021/22: rising to the challenges of the future

This year we began a new strategy to be much bolder in our fundraising. We believe that fundraising should not simply be the job of fundraisers, but a passion and determination that lives through the whole of Age UK. In the future, you will see us trying new ways to fundraise – some things will work, others will not, but we will not stop trying because we always have more to do. Most of the £12.2 million we raised during our Coronavirus Emergency Appeal (£11.5 million in year) came from organisations and donors that already have a long-standing or existing relationship with Age UK. This is a testament to years of work that we have already invested in creating partnerships and donor relationships that are built

on trust and a strong belief in our charitable aims and achievements. By investing in our fundraising and having a shared commitment to fundraising across Age UK, we believe we can take that trust and belief further, reaching new audiences in new ways.

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*“ I gave to Age UK because it’s so important that **everyone has someone they can talk to and not feel alone** or unsupported. ”*

Lucy

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### Our staff Q&A



Goldene Dixon,  
Age UK Lottery  
Marketing Manager

#### In one sentence – how would you describe your role?

I’m responsible for planning and delivering lottery marketing activity such as DRTV and mailings, which helps fund a variety of essential services for older people.

#### What was the biggest focus of your role this year?

This year has been more challenging than most. One of my key focuses this year was to research and understand the needs of our supporters and deliver a programme that would appeal to a broader audience, while keeping our beneficiaries front of mind.

#### What makes you #ProudtobeAgeUK?

When I first started in marketing, I wanted to promote something that would add value to our society. When I joined Age UK, I quickly learned about the many struggles older people face every day. Being part of the team, I know how passionate and hard everyone works to make a real difference in their lives, making the work that I do feel so much more meaningful.





# Trading

**We're proud that our trading has performed above expectations** in such a tough operating environment and now has a strong platform for future growth.

We operate a large network of charity shops whose profits directly support our charitable work; Age UK Enterprises, a commercial subsidiary, offers financial services and independent living solutions designed

for older people, mostly under the Age Co brand and, when affordable, the profits from its activities are gifted to Age UK to fund our charitable work.



## The pandemic year: the situation we faced

The financial year began with all our 391 charity shops closed due to lockdown and the need to keep our customers, staff, and volunteers safe, resulting in lost income of around £800,000 per week. A turbulent trading year followed, with three national lockdowns and a host of localised lockdowns, keeping the doors of some of our shops closed for seven months. When we could open safely, we did, and our staff and volunteers outperformed again and again, exceeding our budget expectations. It was never going to be possible to recover our losses so, overall, we made a significant loss, but one that was far less than it might have been thanks to the incredible efforts of our staff and volunteers.

The pandemic didn't affect Age UK Enterprises' income as hard financially; while sales fell, many of our existing insurance customers remained loyal to the Age Co brand. The start of lockdown also saw a surge in orders for our incontinence products with people wanting to stock-up, so they were able to stay safely in their own homes. Similarly, as customers were keen to be able to continue living independently at home, we also saw an uplift in enquiries and sales for our stairlift and bathing products.

## The pandemic year: rising to the challenge

### Retail

Overall, retail made an operating loss of £24.5 million (2020: Loss of £2 million). When our shops could open, they performed extremely well. This strong performance was due to better-than-expected sales, ending leases on closed shops more quickly than expected, and local grants. We used lockdown periods to diversify retail income streams, including online channels and alternatives to the 'rag' trade, and saw significant changes to consumer behaviour (for example high performance of out-of-town shops, and a 25 per cent uplift in average basket values). During the first lockdown we made the difficult decision that we would not re-open 133 of our shops many, but not all, of which were poorer performing or would struggle to return to profitably very quickly with social distancing in place. This swift action helped us minimise losses in-year and will provide a stronger foundation for the future success and growth of retail. Sadly, however, we had to say goodbye to lots of staff and volunteers, including 327 redundancies (see page 53).

### Age UK Enterprises

Despite tough market conditions, we generated an operating profit of £6.5 million (2020: £1.3 million) from Age UK Enterprises trading activities. This year, Age UK Enterprises implemented a turnaround plan which saw a focus on core products and consolidation as foundations for future expansion, the transfer of most in-house marketing to product providers, and a staff restructure. These changes followed the closure of the largely face-to-face Trading Alliance in early 2020 (Trading Alliance Members (TAMS) were owned by local Age UK charities), enabling a new, more effective, operating model with a significantly lower cost base. Costs this year fell to £5.4 million (2020: £16.3 million).

We have developed a new marketing strategy that focuses on the needs of our current customer groups, who may not necessarily be the charity's beneficiaries, renewed important contracts with providers, and increased our range of funeral plans. We're proud that our funeral plans, will writing

service, bathing solutions products, and motor breakdown insurance are all rated as world-class (with an NPS score above 70), with all our other products either achieving excellent or good ratings with customers. Age UK continues to provide grants to former TAM-owning charities for loss of income and a new profit-sharing arrangement will be introduced in future.

### 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.

## Our plans for 2021/22: rising to the challenges of the future

The pandemic has changed the retail landscape and we have reviewed our retail strategy considering this, seeking to return to profitability in 2021/22 with accelerated growth in subsequent years. We are planning to build on the success of our larger out of town shops and grow our use of online trading platforms. We'll also make in-store IT improvements which help increase sales, focus on improving customer experience and loyalty, and cement our sustainability and recycling credentials.

Age UK Enterprises is now working towards its new three-year strategy. We'll complete the initial roll out of the Age Co brand and begin building upon it and launch a wider range of products driven by customer needs, including expanding our range of personal alarms, 'through the floor' home lifts, and a subscription service for incontinence products. We are recruiting for a new CEO for Age UK Enterprises to achieve this exciting new, and challenging, growth strategy.

## Our staff Q&A

Kayleigh Crowther,  
Manager, Age UK shop, Gorton

### What was the biggest focus of your role this year?

To remain positive and to motivate my team of staff and volunteers in these unexpected and trying times. Also, to maintain a high level of customer service while welcoming back our customers, ensuring a safe clean space for the public, staff and volunteers.

### How do you think Age UK has risen to the challenge this year?

Age UK has had the strength and necessary skills to successfully navigate the COVID-19 situation and remain focused on raising money for services for older people. This has been aided by the dedication of the staff and volunteers in charity shops. Without them and their commitment, Age UK would have suffered.

### What three words best describe the past year for you?

Hope, overwhelming and unpredictability.

## Our volunteer Q&A



Sue, Volunteer,  
Age UK shop, Rickmansworth

### What was the biggest focus of your role this year?

Working with dedicated members of staff and volunteers. Knowing that I am not just a 'volunteer' but a valued person and part of a great team. Taking compliment after compliment about how good and clean the shop is and how friendly all the volunteers are.

### How do you think Age UK has risen to the challenge this year?

Knowing that I can continue volunteering for Age UK and that it boosts my mental health. Being valued as a volunteer, enabling me to, once again, be part of a great team. Giving me something to look forward to.

### What three words best describe the past year for you?

Support, satisfaction, friends.

# Financial review

**Age UK's income available for charitable activities (net income) increased to £71.2 million (2020: £58.4 million).** A large increase in fundraising income driven, by our hugely successful Coronavirus Emergency Appeal, helped offset a significant drop in commercial revenue. The charity made use of the Government's furlough scheme to generate £9 million, reducing the effects of charity shop closures throughout the pandemic and preventing further job losses.

Age UK's charitable expenditure increased to £69.3 million (2020: £63.6 million).



Throughout the Strategic Report and in this Financial Review the charity's trading income continues to be expressed in net terms rather than gross, unless stated otherwise. Age UK's accounts are consolidated, which means they include the income (and costs) of its charitable and trading subsidiaries. Age UK's network of charity shops 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 its charity shop estate 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. In 2020/21, 83 per cent (£71.2 million) of the charity's net resources was available to spend on charitable activity and it spent 97 per cent (£69.3 million) of this amount.

Statement of Financial Activities Summary and net calculations	Income £'000	Expenditure £'000	2021 Net £'000	2020 Net £'000
Donations and gifts	27,651	(3,347)	<b>24,304</b>	10,176
Legacies	23,078	(3,810)	<b>19,268</b>	20,933
Grants, corporate and trusts	25,211	(5,288)	<b>19,923</b>	15,848
Lotteries and raffles	10,926	(2,058)	<b>8,868</b>	4,628
<b>Total fundraising</b>	<b>86,866</b>	<b>(14,503)</b>	<b>72,363</b>	<b>51,585</b>
Income from charitable activities	6,853	-	<b>6,853</b>	4,374
Net (loss)/income from trading*	(17,738)	-	<b>(17,738)</b>	1,079
Investments	707	-	<b>707</b>	1,018
Net (loss)/gain on disposal fixed assets	(6)	-	<b>(6)</b>	(32)
COVID-19 job retention scheme	8,988	-	<b>8,988</b>	336
<b>Net resources available for charitable activities</b>	<b>85,670</b>	<b>(14,503)</b>	<b>71,167</b>	<b>58,360</b>
<b>Total charitable expenditure</b>			<b>(69,255)</b>	<b>(63,610)</b>
<b>*Trading analysis</b>				
<b>Trading activity</b>	<b>23,647</b>	<b>(41,385)</b>	<b>(17,738)</b>	<b>1,079</b>
<b>Charitable activity analysis</b>				
% of net resources available for charitable activities			83%	78%
% of income spent on charitable activity			97%	109%
% of fundraising income available for charitable activities			83%	76%

## The pandemic year: the situation we faced

The effects of the coronavirus pandemic on Age UK's finances have been significant and serious, most notably in the retail income we lost through successive lockdowns. The enforced closure of our shop network due to lockdown, which began in the prior year, contributed to a deficit position in 2019/20, and resulted in losses to retail's gross income of circa £800,000 for every week of closure. Due to these challenges, in summer 2020 we developed a three-year financial recovery plan to ensure future financial sustainability and a return to meeting Age UK's free reserves threshold of £30 million by 2023/24 at the latest.

## The pandemic year: rising to the challenge

Our financial recovery plan is on track. We are making better than expected progress on restoring our free reserves threshold, in part due to a significant gain in investments close to year-end. Overall, we achieved a net surplus of £9.4 million due to stronger performance than anticipated in retail when shops could open (resulting in a smaller than expected operating deficit), the much-needed financial assistance that furlough and other government grants offered, and cost savings of £7.5 million.

### Fundraising

**Net income from fundraising increased to £72.4 million (2020: £51.6 million).** The increase was driven by the success of our Coronavirus Emergency Appeal which raised £12.2 million gross income, £11.5 million of which was received in 2020/21, and a further £1.5 million gross income from Gifts in Kind (see page 62). Grant income increased by £7.4 million, helped by increased funding from Sport England and higher grant income for Age International. Legacies are cyclical in nature and this year decreased to £23.1million (2020: £24.9million). Total fundraising costs, excluding lottery, were £12.4 million. Age UK's weekly lottery saw its gross income fall to £10.9 million (2020: £11.5 million). However, costs reduced to £2.1 million (2020: £6.8 million) increasing the overall surplus.

**Review:** This has been an exceptional year for fundraising at Age UK and as we set out on page 66, we have an ambitious fundraising strategy which plans to achieve sustainable growth.

### Trading

**Due to the closure of charity shops for much of the year, trading saw an overall operating loss of £17.7 million (2020: Profit £1.1 million).** Charity shops were particularly affected by the pandemic with all shops shutting for at least six months of the year, some for longer, resulting in a £29 million reduction in income on the prior year and an operating loss after group cost allocations of £24.5 million (2020: £2 million loss). An extensive review of the retail estate took place, leading to a reduction in shop numbers from 391 to 258 (see page 53 and 69). Costs of £7.6 million were incurred in the year on exiting leases, redundancies, and other property-related expenditure to reduce the future cost base.

Age UK Enterprises undertook a strategic review in 2019/20 which has seen it focus on core products and consolidation. Age UK Enterprises saw its net income from financial services increase to £4.5 million (2020: £0.6 million) despite lower income from the sale of insurance products and funeral plans. Profitability increased due to cuts in operational costs from £12.9 million in 2019/20 to £5.3 million in 2020/21, driven by lower marketing



spend, which has largely transferred to product partners, and the elimination of commission payments following the closure of the Trading Alliance network (grants to the owner charities of former Trading Alliance Members are being paid by Age UK, see page 69).

Net income from Age UK Enterprises' Independent Living Solutions portfolio increased to £1.6 million (2020: £1 million). The increase in profitability reflects reduced marketing and operational costs to £0.2 million (2020: £1.5 million).

**Review:** Trading conditions were very tough and significant steps were taken to ensure that the businesses could continue to operate off a sustainable cost base.

### Income from charitable activities

**Income from charitable activities increased to £6.9 million (2020: £4.4 million).** This includes income from our legacy Gifted Housing Service and money from contracts with the NHS England to support older people being discharged from hospital, particularly during the winter months, but extended this year to provide support during the pandemic (see page 42) and money from energy companies to fund our vital Warm Homes programme (see page 41).

**Review:** Income from charitable activities performed better than expected due to additional income from NHS England to extend our winter pressures during the pandemic (see page 42).

### Charitable expenditure

**We were able to protect Age UK's charitable expenditure, despite the income challenges we faced, with an increase in charitable expenditure to £69.3 million (2020: £63.6 million).** Spend on health and care increased by £2.4 million due to the extended contract with NHS England to support our winter pressures work into the pandemic period. Spend on wellbeing programmes decreased by £2.5 million, partly due to two large programmes ending – Joining Forces and One Digital, but also the temporary pausing of other wellbeing programmes because of the pandemic and the effects of social distancing on delivery of services. We spent £8.9 million more on supporting the network than the prior year, largely due to additional funding raised via the Coronavirus Emergency Appeal.

**Review:** Despite the lower levels of unrestricted income from trading, we were able to increase our charitable spend. This was heavily influenced by the success of our Coronavirus Emergency Appeal.

**The coronavirus pandemic compounded the financial challenges faced by our local Age UK subsidiary, Age UK Suffolk, which became part of the Age UK Group in 2017 due to the financial difficulties it faced at that time.** Despite financial support and help from teams across Age UK, the closure of Age UK Suffolk's services due to the pandemic left it unable to continue. Age UK Suffolk sadly closed on 24 July 2020.

# Funding and **finance**

## Balance sheet

Balance sheet net assets increased by 16 per cent, from £51.7 million to £60.1 million. The £8.4 million overall increase in the balance sheet comprises:

- £3 million decrease in fixed assets due to depreciation, property exits and low levels of capital expenditure.
- Investments increased by £2.3 million due to a rise in listed and unlisted investments. £6 million was realised from investments during the year to free up cash for working capital and liquidity purposes, however this was more than offset by valuation gains due to the recovery in financial markets from their low point at the start of the pandemic.

Net current assets increased by £9.7 million in total on the prior year made up as follows:

- Debtors fell by £3.4 million due to reduced prepayments on shop leases and a lower legacy accrual. Creditors decreased by £8.4 million due to the repayment of borrowing facilities and lower expenditure levels in general. Cash holdings increased by £4.7 million to £10.6 million primarily due to several large receipts just prior to year-end.
- Creditors due after one year dropped by £1.8 million due to loan repayments.
- Provisions increased by £1.7 million because of an increase in the onerous contracts provision required at year-end, as well as an increase in the holiday pay provision and a reduction in Gifted Housing provision.
- There was a £0.7 million increase in the defined benefit pension scheme liability due to liability value movements and a reduced deficit recovery payment in the year.

## 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 2019, and this has been reworked and projected forward using the 2021 FRS 102 assumptions. The triennial valuation showed an improvement resulting in a reduction in the length of the deficit recovery plan.

Both sections of the scheme are valued and reported in accordance with FRS 102 and advised by scheme actuaries. The scheme showed an overall increase in deficit of £0.7 million (£5 million decrease in 2019/20). This was due to an increase in scheme liabilities which offset the recovery in asset values. The increase in liabilities was mainly a result of a reduction in corporate bond yields.

The discount rate decreased to 2.1 per cent (2.2 per cent in 2019/20), due to year on year decreases in market bond yields. RPI increased by 0.3 per cent to 3.1 per cent.

The 2019 triennial valuation has been concluded and it was agreed at that time to maintain the deficit contributions at their existing level despite the improved funding position. However, because of the impact of the COVID-19 pandemic, the Pension Trustees agreed to a deferral of contributions for the first six months of FY 2020/21 in lieu of offering an equivalent sum as security on a property. This therefore reduced the deficit payment made in 2020/21 to £1.7 million.

Age UK acknowledges its pension obligations and has a clear strategy to manage the deficit which includes a deficit reduction plan designed to ensure that the Scheme is fully funded using assumptions that contain a margin for prudence. This is subject to continued discussion and agreement with the

Pension Trustee Board. At the time of the last valuation the deficit payments were expected to remove the deficit on a technical provisions basis by April 2030 for the Help the Aged section and January 2028 for the Age Concern section.



## 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 2021 were £60.1 million, which compares to £51.7 million at 31 March 2020. This includes total endowment funds of £3.1 million (2020: £2.5 million), restricted funds of £14.8 million (2020: £10 million) and designated funds of £18.2 million (2020: £18.1 million). Designated funds consist of the fixed asset funds which represent the net book value of fixed assets, including investment as well as funds separately designated (see note 16).**

Free reserves at 31 March 2021 were £31.9 million (2020: £28.3 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. Although the pension liability is outside of the definition of free reserves, deficit payments due have been factored into the target figure and forecasts.

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 £40 million (2020: £30 million to £50 million). At 31 March 2021, Age UK's free reserves were £31.9 million so fall within this target range.

COVID-19 had a major impact in 2020/21 due to the closure of shops and decreases in other income streams. A restructure took place to rationalise the

future cost base supported by a three-year financial recovery plan. Free reserves at March 2021 are higher than anticipated at this stage of the recovery plan with the Government's furlough scheme helping limit the damage caused from shop closures and the recovery in stock markets giving rise to a gain of £7.5 million in investment values.

The trustees have reviewed these numbers and feel it is still appropriate to maintain the lower target range at its existing level but have reduced the upper limit from £50 million to £40 million in line with lower levels of expenditure. Cash forecasts have been prepared and there is sufficient liquidity to meet all operational requirements and levers to adjust expenditure further if required.

## Going concern

**Age UK continues to prepare its financial statements on the basis that it is a going concern.**

In doing so it has considered the potential ongoing impact of the coronavirus pandemic and the other business risks it faces and has put in place a number of actions to manage these. The coronavirus outbreak led to the closure of Age UK's retail shops during lockdown which caused a significant loss of income as well as decreases across other normal income streams. In response to this, we undertook an urgent review of the retail estate resulting in the closure of 133 shops, ceased all non-essential expenditure, and utilised the Government's Job Retention Scheme. We consulted with staff about making redundancies in retail, the charity, shared services, and Age Co to reduce costs. A work programme was implemented to make a number of other cost savings which encompassed short-and long-term cost savings. Our Emergency Coronavirus Appeal ensured the continued delivery of our key services to older people and to support the local Age UK network, which have both seen unprecedented demand during the pandemic.

A robust three-year planning process has been carried out which looked at projected cash flows and reserves requirements over that period. A detailed recovery plan was also prepared at the outset of the pandemic to ensure future financial sustainability. The actions taken have enabled Age UK to meet its reserves threshold of £30 million and also increase its liquidity.

The Trustees believe that Age UK is well placed to manage its financing and other operational risks satisfactorily and have a reasonable expectation that Age UK will have adequate resources to continue in operation for the foreseeable future and meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

## Investment policy

**The charity's overall investment objective adopted by the Trustees 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 whilst 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 2021, Age UK had circa £49.4 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 designed to reduce risk and consist of two long-term portfolios and several smaller endowment funds. These investments underpin the free reserves available to the organisation.

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.

Despite a volatile year due to COVID-19, the long-term portfolios contained just over £46.6 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 70 per cent hedged back to GBP. Age UK also holds endowed funds with a market value as at 31 March 2021 of £2.8 million. These funds are invested in the Sarasin Endowments Fund from which we receive income on a quarterly basis.

Both Managers weathered the pandemic storm very well across 2020 and into 2021 returning over 15 per cent in cash terms across the period. This was despite a tactical decision we made to convert a large proportion of the portfolio to cash in April 2020 – circa £9 million – to reduce volatility and provide liquidity should we need it. At the time this decision was based on the uncertainty of our retail cashflow. It's worth noting that our comparison benchmark rose by some 26 per cent across the year however we underperformed this due to the aforementioned cash holding.

Both managers still believe that the allocation of the current investment portfolio is appropriate to meet our investment objective and we have begun to reinvest the cash portion of the portfolio as and when the managers feel it is appropriate.

# 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 includes setting the risk appetite for the charity, ensuring that there are reasonable procedures in place for the prevention and detection of major risks, including fraud risk and other irregularities.

During 2020/21, the Audit and Risk Committee and Trustees have overseen Age UK's activities, having regard to the Risk Management Policy, Risk Framework and Risk Appetite in order to ensure appropriate identification and consideration of risk within Age UK.

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, BDO continued in their role as Internal Auditors while Crowe served 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.

The Audit and Risk Committee is also responsible for the annual internal audit plan and scrutinises regular reports from the internal auditors on progress against the audit plan including monitoring the implementation of recommendations raised from audits and the effectiveness of internal controls.

This year due to the pandemic the audit plans were adjusted due to the capacity and availability of staff, so many of the planned internal audits were carried out later in the year. These audits were carried out remotely in a COVID-19 safe environment.

In the context of the COVID-19 pandemic, the Audit and Risk Committee increased the frequency of its meetings and a full assessment of risks arising from the impacts of the pandemic was carried out identifying several risk areas. As well as this, actions and plans were developed, and risk owners identified to plan and put into effect necessary mitigation steps. As well as this, the Committee considered the financial impacts of COVID-19 on the future financial position of Age UK.

On the following pages we have shared what we consider are our greatest challenges to achieving our strategy and the context surrounding each risk.

Risk	Mitigation and Actions
<p><b>Financial performance and resilience</b></p> <p>Significant reduction in income streams from retail, fundraising due to COVID-19 in part and economic pressures from cashflow and political risk including Brexit.</p>	<p>Some specific key actions taken to mitigate this risk in the context of coronavirus pandemic included:</p> <ul style="list-style-type: none"> <li>• We reviewed a range of scenarios to stress test the impact on our financials, performance, liquidity, and the effectiveness of our funding requirements particularly around retail. At the start of the pandemic our Strategic Finance Committee met more regularly whilst these scenarios were developed, with its meetings returning to a more normal frequency once the plans were in place.</li> <li>• We agreed a financial recovery plan with the Trustees, which we reassessed each time a national lockdown was announced and revised accordingly.</li> <li>• We established a cost and efficiencies programme to ensure that the recovery budget could be achieved.</li> <li>• Our reserves policy was reviewed and approved by the Trustees.</li> <li>• We reviewed our reserves position with the Strategic Finance Committee frequently during the initial period of volatility and, following agreement of our financial recovery plan by Trustees, ensured that our reserves remained in line with that.</li> <li>• We utilised the Government financial support measures available, particularly for our retail staff during national and local lockdown periods.</li> </ul> <p>In the future, our focus will be on continuing to strengthen our reserves within the range set by our Strategic Financial Committee, which we plan to achieve through our costs and efficiency savings; delivery against our recovery plan; and the return of more stable and positive investment conditions.</p>
<p><b>Protecting the Charity's assets</b></p> <p>Pensions liabilities on growth and investment plans.</p>	<ul style="list-style-type: none"> <li>• Ongoing discussions with Sarasin Asset Management and Goldman Sachs Asset Management to manage the Charity's investments.</li> <li>• The 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.</li> <li>• Ongoing work with the Pension Scheme Trustees so that manageable levels of payment can be agreed.</li> </ul>

Risk	Mitigation and Actions
<p><b>Cyber Security through the pandemic</b></p> <p>Increasing risks of cyber-attacks either directly targeted or opportunist.</p> <p>Global pandemic results in large scale disruption to the workforce.</p>	<ul style="list-style-type: none"> <li>• The threat of cyber-attacks was higher this year than in previous years due to the pandemic and increased homeworking. Our working from home model meant that when the COVID-19 pandemic lockdown started, we deployed multi-factor authentication (MFA) to all staff immediately.</li> <li>• The Information Security Team completed several mitigating actions with respect to cyber threats to ensure that we remained secure regardless of new threats that have been introduced during the year. These include: <ul style="list-style-type: none"> <li>• Implementation of ongoing phishing awareness.</li> <li>• We have enhanced data loss prevention as part of migration to Office 365.</li> <li>• Update security remotely for all staff.</li> </ul> </li> </ul>
<p><b>Working together</b></p> <p>Age UK is part of a network of independent local and national charities, as together we deliver more for older people.</p>	<p>As a national charity we:</p> <ul style="list-style-type: none"> <li>• Continued to work collaboratively with our local and national partners to strengthen the relationship to become a more sustainable network and to improve their financial resilience for the future.</li> <li>• Increased the monitoring of the financial health of the network to create a much more up to date picture which allows for earlier intervention, if required.</li> <li>• Leveraged additional funding where possible for local Age UK partners to continue to allow them to provide services for older people in their local area throughout the pandemic.</li> <li>• Revised the planned programme of work on the new Shared Strategy to adapt to the new situation and a new Network Development Programme has been established to work in partnership with the Age UK network of local and national charities.</li> <li>• Hosted a series of virtual finance events for local partners to explore the recovery and remodelling of core services with topics such as 'Building back Better' and 'Opportunities, Risks and Considerations for Recovery'.</li> </ul>
<p><b>Regulatory and Reputational risks to the charity of our commercial activities</b></p> <p>Age UK's trading subsidiaries work with third parties to offer physical products, financial and other commercial services, to our target market. Profits are gifted to the Charity to fund its charitable work.</p>	<ul style="list-style-type: none"> <li>• Age Co has transferred all commercial products and services to the Age Co brand, except for one which is in progress.</li> <li>• Age Co continue to follow the key principles established by the introduction of the Age Co Trading Principles, against which all existing and future products and services are evaluated before being granted use of the Age Co trademark by the charity.</li> <li>• Age Co has implemented a turnaround plan, which saw the business achieve a net surplus of £6.4 million.</li> <li>• Age Co is now working towards an agreed three-year strategy which will ensure Age Co is a sustainable entity going forward.</li> </ul>



Risk	Mitigation and Actions
<p><b>Staff Wellbeing</b></p> <p>Organisational Resilience, health, and wellbeing due to the global pandemic.</p>	<ul style="list-style-type: none"> <li>• Executive Directors prioritised the wellbeing of staff and held fortnightly staff briefing sessions, which presented topics of the day and welcomed questions and comments from all attendees.</li> <li>• All staff were encouraged to take holiday to ensure that they had time away from work.</li> <li>• Staff surveys were carried out to find out about staff wellbeing, the struggles to adjust to a new normal and the impact of COVID-19 and their mental health and work.</li> </ul>
<p><b>Safeguarding</b></p> <p>Protecting the health, wellbeing and human rights of our beneficiaries, supporters and colleagues.</p>	<ul style="list-style-type: none"> <li>• The Trustees review the group-wide safeguarding policy and procedures on an annual basis.</li> <li>• Formal governance and reporting structures are in place, the Audit and Risk Committee and our lead safeguarding trustee receive regular updates on all safeguarding activity.</li> <li>• Serious cases are shared with the lead Trustee and further actions taken as appropriate.</li> <li>• Mandatory e-learning included as part of the induction for all staff and volunteers, plus additional training for any employees working with adults at risk.</li> <li>• Wellbeing sessions have been undertaken to support staff during the pandemic to mitigate the possible negative effects of home working.</li> <li>• Additional resources provided to staff to support them with any issues caused by the re-opening of office locations.</li> <li>• Disclosure and Barring Service policy and procedure introduced to ensure consistent application of the use of checks and support safer recruitment.</li> </ul>
<p><b>Poor data integrity and governance including (GDPR)</b></p> <p>Meeting our regulatory obligations in a broad and evolving regulatory landscape.</p>	<p>We consider data to be a key business asset as such we have:</p> <ul style="list-style-type: none"> <li>• A Chief Data Officer who has day to day oversight of this risk and works closely with the Information Security Team to drive the charity's approach to managing this risk.</li> <li>• Several policies and procedures, including a Data Protection Policy and Information Security Policy, and reporting which involves mandatory e-learning for all employees and volunteers on joining the organisation.</li> <li>• Bi-monthly Data Privacy meetings chaired by the Data Protection Officer with key stakeholders across the group to ensure they are well-informed and therefore accountable for adhering to the organisation's privacy directives that ensure regulatory compliance.</li> </ul>

# 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.

## **Governance during the pandemic**

**As we explained in last year's Annual Report and Accounts, the 2020 pandemic brought with it the question of how to adapt our existing approach to governance to a changed and changing world.**

Age UK's governance structures outlined in this section of the Annual Report held good, but the immediate priorities of our boards and committees and the ways in which we worked changed rapidly, with many of our boards and committees meeting

more frequently, particularly in the initial months to address urgent issues and keep on top of these in a fast-moving operating environment. Examples of how our ways of working changed during that period included:

- Our Board of Trustees met weekly to receive briefings on our response to COVID-19, ensuring both that it stayed close to changing events and the changes in our charitable activities to serve older people and that it was well placed to make decisions as and when needed.
- Our Strategic Finance Committee met regularly as we took steps to respond to loss of income – monitoring forecasts, cashflow, liquidity and our investments.
- Our Board of Trustees, the Strategic Finance Committee, and Age UK Trading CIC worked closely together to make decisions about the future of our charity shops.
- Our Audit and Risk Committee responded rapidly as we reviewed risks and mitigations both in relation to the activities we launched in response to the pandemic and its impact on our organisation and its risk profile.
- By the middle of autumn our boards and committees had returned to something approaching our more traditional ways of working, even if all meetings remained 'virtual' throughout the year.

## 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 2021, the Board was made up of ten Trustees.

Our Articles allow for 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, which are 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 and experience.

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. Three new Trustees were appointed during 2020/21 (and a further three trustees have been appointed during 2021/22).

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.

Indemnity insurance up to the value of £5 million is provided for the Directors and Trustees, the premiums are paid centrally for the whole group by Age UK, the total indemnity insurance paid by Age UK in relation to Directors and Trustees was £11,624 (2020: £7,207).

## 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 continuously improving our governance arrangements, as the Code envisaged.**

In the programme of Trustee recruitment carried out in 2020/21 (and concluded in the early part of 2021/22), we retained our emphasis on ensuring that the Board retains a balance of charitable and business skills and experience, while also looking to broaden the diversity of our Trustees. We explained last year that, while we hoped to carry out an external board effectiveness review during 2020/21, we were focusing our efforts on our response to the coronavirus pandemic and had given a board effectiveness review lower priority than we otherwise would; the review commenced early in 2021/22 and is being used, in part, to support the approach we will take to the recruitment of a new Chair following Sir Brian Pomeroy standing down at the end of July 2021.

## Board Committees

**The Age UK Board has established several 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), John Norley and Suzanna Taverne – and non-Trustees – Jill Robinson (the chair of Age UK Enterprises Audit and Risk Committee) and Shona Spence as an independent member.

#### At its meetings during the year, it particularly focused on:

- Monitoring the risks to Age UK associated with the COVID-19 pandemic and its effects on the organisation.
- Renewing and refreshing Age UK's risk reporting framework.
- Overseeing the external and internal audit processes in a remote environment.

## 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), Carol Cole (from November 2020), David Hunter (to September 2020), Sir Brian Pomeroy and Stuart Purdy (from September 2020).

### At its meetings during the year, it particularly focused on:

- Successfully recruiting four new Trustees.
- Renewing membership of the Strategic Finance Committee, with the appointment of a new Chair and the addition of an independent member.
- Preparatory work for a board effectiveness review.
- A range of other appointments, including of a Vice-Chair for the Board of Trustees and a chair of the pension Trustees.

## 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 a mix of Trustees – David Hunter (chair; until September 2020), Sir Brian Pomeroy (chair from September 2020), Mike Dixon and Martin Jones (from November 2020) – and non-Trustees – Praveen Telang (from January 2021).

### At its meetings during the year, it particularly focused on:

- Immediate financial implications of COVID-19 pandemic.
- Use of reserves and investments.
- Development of a reserves recovery plan.
- Oversight of decisions relating to pension funds.
- The organisation's current and future property needs.

## Age UK subsidiaries

**The Age UK Group comprises Age UK, Age International and a number of other subsidiaries.** Age UK's principal subsidiaries in 2020/21 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 1128267-8 and registered company number 7897113). It is the UK affiliate of the HelpAge International global network of organisations focused on ageing which has 158 members in 86 countries.

Age International is currently governed by a Board of nine Trustees, each of whom is eligible to serve up to three terms of three years. In 2019/20, the Chair of Age International was Ann Keeling and the Managing Director Chris Roles. More information can be found in Age International's Trustees Report 2020/21.

### 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 operates our network of charity shops and carries out other retail activity – dealing in the sale of donated goods on behalf of Age UK and selling second hand goods on behalf of the general public as an agent and generating income itself from the sale of new goods.

In 2020/21 its Board was a mix of non-executive directors who are Trustees – Mike Dixon (chair), non-executive directors who are not Trustees – Daniel Jacobs, Hussein Lalani and Helen Milford, and executive directors – Tracey Bright and Vicki Thornton.

### 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 2020/21 its membership was a mix of non-executive directors – Chris Radford (Chair), Alison Crossley (from March 2021), Stuart Purdy (until March 2021) and Jill Robinson – and Executive Directors – Colin Greenhill.

It has established an Audit and Risk Committee to ensure that its Board has the assurance it needs in relation to the company's risk management, compliance, and internal controls. In 2020/21 its membership was Jill Robinson (Chair) and Chris Radford.

### 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.

In 2020/21 their Boards were a mix of non-Executive Directors – Sir Brian Pomeroy (Chair) – and Executive Directors – Laurie Boulton, Pam Creaven and Michael Cutbill (until August 2020).

### The Silver Line

The Silver Line Helpline, a charitable company limited by guarantee (registered charity numbers – England and Wales 1147330, and Scotland SCO44467; and registered company number 8000807), became a subsidiary charity of Age UK with effect from 1 October 2019. Age UK is its sole member.

### Age Cymru

Age Cymru (registered charity number 1128436 and registered company number 6837284) became a subsidiary charity with effect from 1 October 2017. Age UK is its sole member.



# Trustees' duty to promote the success of the Charity – **Section 172 statement**

**Trustees have a duty to promote the success of the Charity** – in terms of achieving the charity's purposes – and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

The likely consequences of decisions in the long term.

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The interests of employees.

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The need to foster the Charity's relationships with a range of other stakeholders.

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The impact of the Charity's operations on the community and the environment.

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The desirability of the Charity maintaining a reputation for high standards of business conduct.

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**Pages 18 to 47 summarise the most significant steps taken to promote our purposes.**



The Board has delegated day-to-day management and decision-making, within the framework of our long-term strategy which it has set, to the CEO and the executive team. The way in which that day-to-day management and decision-making is carried out is therefore an integral part of the way in which the trustees' duty is carried out, with the Board's assurance being bound up within the regular reports which it, and its committees, receive.

Examples of the way the factors listed in section 172 inform the discharge of the overall duty:

- Regular staff surveys on a wide range of issues. In 2020/21 and since then this has particularly focused on staff wellbeing and on staff experience of working practices and views on current and future ways of working given the changes brought about by the coronavirus pandemic – one issue that this has informed has been decisions on London office premises.
- Balancing the increase in demand for and provision of charitable services because of COVID-19 with the need in the longer term for our reserves recovery plan.
- The use of a Services Sounding Board and a Policy Sounding Board made up of older people, to inform strategy development, decisions on development of our services and the public policy positions which the charity takes.
- A virtual panel (which is not limited to those who wish to engage digitally) with whom we consult on a wide range of issues – we ensure representation and that a range of voices and views are heard, for example those from Black, Asian, and other Minority Ethnic backgrounds or from the LGBTQ+ community.
- Running the NHS England sounding board for older people which itself provides us with insights to inform our own work.
- Regular surveys and polling of our own community of 430,000 supporters and campaigners.
- Our engagement with local Age UK partners, both drawing on their views and experience of the views and needs of older people and in relation to the development of a shared strategy across the wider Age UK network.
- The standards we set ourselves through a wide range of policies and practices – for example: our values; the Age UK Quality Standards, which the whole Age UK network, including Age UK, is assessed against; codes of conduct for Trustees and Directors; policies that encourage staff to know they can speak up safely; and the Trading Principles at the heart of the commercial activities.
- Setting a clear risk appetite within which Age UK operates, covering a range of issues that include reputational risk.

# Statement of Trustees' responsibilities

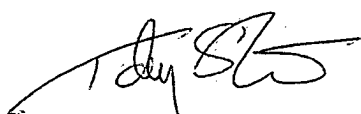
**The Trustees (who are also Directors of Age UK for the purposes of company law)** are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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 31 January 2022 and signed on its behalf by:



**Toby Strauss**

Chair

31 January 2022

# Trustees, Executive Directors and Professional Advisers

**Royal Patron** His Royal Highness the Prince of Wales

Trustees and Other Age UK Committee members

Trustees	ARC	RNC	SFC	EARC
Sharon Allen		•		
Carol Cole (from November 2020)		•		
Mike Dixon			•	
Jackie Freeman (from May 2021)				
David Hunter (until September 2020)		•	•	
Martin Jones (Acting Chair from September 2021 until January 2022)			•	
Dawn McNally (from November 2021)				
John Norley (until September 2021; Acting Chair – August and September 2021)	•	•		
Brian Pomeroy (Chair) (until July 2021)		•	•	
Stuart Purdy	•	•		
Julia Scott (from November 2020)				
Roy Shubhabrata (from November 2020)				
Toby Strauss (Chair) (from January 2022)				
Suzanna Taverne	•			

Independent Committee Members	ARC	RNC	SFC	EARC
Jill Robinson	•			•
Shona Spence	•			
Praveen Telang			•	

**ARC** – denotes that the individual was a member of the Audit and Risk Committee for all or part of 2020/21.

**RNC** – denotes that the individual was a member of the Remunerations and Nominations Committee for all or part of 2020/21.

**SFC** – denotes that the individual was a member of the Strategic Finance Committee for all or part of 2020/21.

**EARC** – denotes that the individual was a member of Age UK Enterprises Audit and Risk Committee for all or part of 2020/21.

## Trustees and Other Age UK Committee members

### **Executive Directors**

- Caroline Abrahams, Charity Director
- Laurie Boulton, Fundraising Director
- Tracey Bright, People, Performance and Retail Director, Pro tem Chief Executive (July and August 2021), Interim Chief Executive (December 2021 onwards)
- Pam Creaven, Services Director
- Colin Greenhill, Chief Executive, Age UK Enterprises (until June 2021)
- Anthony Jones, Chief Executive, Age UK Enterprises (from November 2021)
- Stephanie Harland, Group Chief Executive (until September 2021)
- Chris Roles, Managing Director of Age International
- Vicki Thornton, Chief Financial Officer
- Steve White, Interim Chief Executive (from August 2021 until December 2021)

### **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, 55 Ludgate Hill  
London EC4M 7JW

#### **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, a full mid-term review is undertaken.



## Environment

Age UK is a professional and environmentally aware organisation that acknowledges the impact 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.

Age UK is reporting energy and carbon emissions in compliance with The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Age UK SECR report 2020/21

	Gas kWh	Electricity kWh	Square Footage	20/21 Energy consumption per square foot
Age UK	533,292	2,356,132	715,948	4.04

	Gas kWh	Conversion factor	CO2 Tonnes	Electricity kWh	Conversion factor	CO2 Tonnes
Age UK	533,292	0.000183	98	2,356,132	0.000212	500

	Carbon Tonnes	Floor Area square foot	Carbon/ square foot (Tonnes)	Age UK	CO2 Tonnes
Age UK	598	715,948	0.00084	Travel	281

We have calculated the bulk of emissions based on consumption per square metre of our property space. Petrol and diesel is a direct measurement of mileage.

Age UK continues to monitor our carbon emissions and we have taken steps to reduce our carbon footprint and improve the energy efficiency of our properties, including the roll out of installing LED lighting in all our shops and larger offices, and investing in a modern fleet of vans.

### 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 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 84).

This includes: campaigning and research; providing information and advice; improving health and care services; delivering wellbeing programmes and services; supporting the Age UK network; and working internationally, this is demonstrated in the charitable activity sections on pages 14 to 17.



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

## Opinion

We have audited the financial statements of Age UK ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2021 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 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 2021 and of the group's 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

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

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

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

## Other information

The trustees are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 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:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 92, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

### Extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Taxation legislation, Employment legislation, Gambling commission regulations and FCA regulations. For international operations we have considered Anti-fraud, bribery and corruption legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

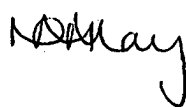
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reviewing RMAR reports prepared for the FCA and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### 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 and the charitable company's trustees 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

31 January 2022

# Financial statements **for the year ended 31 March 2021**



## Financial statements

### Consolidated Statement of Financial Activities, incorporating income and expenditure accounts

For the year ended 31 March 2021

INCOME FROM:	Note	Unrestricted £'000	Restricted & endowed £'000	2021 £'000	2020 £'000
<b>Voluntary income</b>					
Donations and gifts		20,900	6,751	27,651	13,476
Legacies		22,745	333	23,078	24,956
Grants, corporate and trusts		6,755	18,456	25,211	17,823
Lotteries and raffles		6,239	4,687	10,926	11,485
<b>Total voluntary income</b>		<b>56,639</b>	<b>30,227</b>	<b>86,866</b>	<b>67,740</b>
<b>Trading activities</b>					
Charity Shops		11,388	-	11,388	40,364
Financial Services		9,837	2	9,839	13,482
Independent Living Solutions		1,769	-	1,769	2,484
Other trading income		560	91	651	1,524
<b>Total income from trading activities</b>		<b>23,554</b>	<b>93</b>	<b>23,647</b>	<b>57,854</b>
<b>Investment and interest income</b>		<b>627</b>	<b>80</b>	<b>707</b>	<b>1,018</b>
<b>Charitable activities</b>					
Campaigning and research		17	-	17	55
Information and advice		37	8	45	58
Health and care		3,785	-	3,785	1,294
Wellbeing		491	-	491	991
Support the network		2,511	4	2,515	1,969
International		-	-	-	7
<b>Total income from charitable activities</b>		<b>6,841</b>	<b>12</b>	<b>6,853</b>	<b>4,374</b>
<b>Other income</b>					
Net (loss)/gain on disposal of fixed assets		(6)	-	(6)	(32)
COVID-19 retention scheme		8,988	-	8,988	336
<b>TOTAL INCOME</b>		<b>96,643</b>	<b>30,412</b>	<b>127,055</b>	<b>131,290</b>
<b>EXPENDITURE ON:</b>					
<b>Cost of raising funds</b>					
Cost of generating voluntary income	3a	(14,503)	-	(14,503)	(16,155)
Cost of generating trading income	3b				
Cost of Charity Shops		(35,900)	-	(35,900)	(42,401)
Cost of Financial Services		(5,302)	-	(5,302)	(12,924)
Cost of Independent Living Solutions		(183)	-	(183)	(1,450)
<b>Total cost of generating trading income</b>	<b>3b</b>	<b>(41,385)</b>	<b>-</b>	<b>(41,385)</b>	<b>(56,775)</b>
<b>Total cost of raising funds</b>		<b>(55,888)</b>	<b>-</b>	<b>(55,888)</b>	<b>(72,930)</b>
<b>Net resources available for charitable activities</b>	<b>2</b>	<b>40,755</b>	<b>30,412</b>	<b>71,167</b>	<b>58,360</b>

EXPENDITURE ON:	Note	Unrestricted £'000	Restricted & endowed £'000	2021 £'000	2020 £'000
<b>Charitable activities</b>					
Campaigning and research		(4,213)	(6,911)	(11,124)	(14,054)
Information and advice		(5,250)	(1,754)	(7,004)	(7,728)
Health and care		(5,702)	(399)	(6,101)	(3,665)
Wellbeing		(6,675)	(2,876)	(9,551)	(12,090)
Support the network		(18,027)	(2,490)	(20,517)	(11,621)
International		(4,993)	(9,965)	(14,958)	(14,452)
<b>Total expenditure on charitable activities</b>	3c	<b>(44,860)</b>	<b>(24,395)</b>	<b>(69,255)</b>	<b>(63,610)</b>
<b>TOTAL EXPENDITURE</b>	3	<b>(100,748)</b>	<b>(24,395)</b>	<b>(125,143)</b>	<b>(136,540)</b>
Tax (payable)/credit		(55)	-	(55)	301
Net gains/(losses) on investments	9	7,028	487	7,515	(3,355)
<b>NET INCOME/(EXPENDITURE)</b>		<b>2,868</b>	<b>6,504</b>	<b>9,372</b>	<b>(8,304)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on pension scheme	18	(1,639)	-	(1,639)	2,254
(Loss) on disposal of subsidiary	27a	(147)	-	(147)	(4)
Revaluation gains		786	-	786	405
Goodwill written off upon acquiring control of subsidiary charity	27b	-	-	-	(61)
Transfers between funds		1,106	(1,106)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>2,974</b>	<b>5,398</b>	<b>8,372</b>	<b>(5,710)</b>
<b>Reconciliation of funds</b>					
	16				
Total funds brought forward		39,201	12,532	51,733	57,443
Net movement in funds		2,974	5,398	8,372	(5,710)
<b>Total funds carried forward</b>		<b>42,175</b>	<b>17,930</b>	<b>60,105</b>	<b>51,733</b>

For full 2020 SOFA please refer to Note 19.

## Financial statements

### Consolidated Balance Sheet For the Year Ended 31 March 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
<b>Fixed assets</b>					
Tangible assets	8	7,989	11,016	7,935	10,890
Investments	9	61,703	59,381	65,203	62,881
<b>Total fixed assets</b>		<b>69,692</b>	<b>70,397</b>	<b>73,138</b>	<b>73,771</b>
<b>Current assets</b>					
Stock	10	485	541	-	-
Debtors	11	14,588	17,952	12,516	16,531
Cash at bank and in hand		10,572	5,864	3,672	2,303
<b>Total current assets</b>		<b>25,645</b>	<b>24,357</b>	<b>16,188</b>	<b>18,834</b>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	12	(13,569)	(21,977)	(25,092)	(30,399)
<b>Net current assets/(liabilities)</b>		<b>12,076</b>	<b>2,380</b>	<b>(8,904)</b>	<b>(11,565)</b>
Creditors: Amounts falling due after one year	13	(1,035)	(2,820)	(1,035)	(2,784)
Provisions for liabilities and charges	14	(12,639)	(10,977)	(11,896)	(9,890)
<b>Net assets excluding pension liability</b>		<b>68,094</b>	<b>58,980</b>	<b>51,303</b>	<b>49,532</b>
Defined benefit pension scheme liability	18	(7,989)	(7,247)	(7,967)	(7,205)
<b>Net assets</b>		<b>60,105</b>	<b>51,733</b>	<b>43,336</b>	<b>42,327</b>
<b>Funds</b>					
Endowment funds		3,115	2,548	3,115	2,548
Restricted funds		14,815	9,984	14,233	8,437
<b>Total endowed and restricted funds</b>	16	<b>17,930</b>	<b>12,532</b>	<b>17,348</b>	<b>10,985</b>
Investment property reserve		12,297	11,730	12,297	11,730
Other fixed assets		3,745	5,592	3,691	5,466
<b>Fixed asset funds</b>		<b>16,042</b>	<b>17,322</b>	<b>15,988</b>	<b>17,196</b>
General reserve – excluding pension liability		34,122	29,126	17,967	21,351
Pension reserve	18	(7,989)	(7,247)	(7,967)	(7,205)
<b>General reserve</b>	16	<b>26,133</b>	<b>21,879</b>	<b>10,000</b>	<b>14,146</b>
<b>Total unrestricted funds</b>	16	<b>42,175</b>	<b>39,201</b>	<b>25,988</b>	<b>31,342</b>
<b>Total funds</b>		<b>60,105</b>	<b>51,733</b>	<b>43,336</b>	<b>42,327</b>

Age UK the charity's own surplus/(deficit) for the year included in these group results was £1,008,204 [2020: (£9,293,450)].

The accompanying notes on pages 106 to 152 form part of these financial statements.

The financial statements on pages 104 to 152 were approved by the Board of Trustees on 31 January 2022 and signed on its behalf on 31 January 2022 by:



**Toby Strauss**, Chair

## Consolidated cash flow statement

### For the Year Ended 31 March 2021

	Group 2021	Group 2020
	£'000	£'000
Cash flows from operating activities		
<b>Net income for the year</b>	<b>8,372</b>	<b>(5,710)</b>
Adjustments for:		
Investment income and interest received	(707)	(1,018)
Depreciation and amortisation of fixed assets	2,565	2,995
(Gain)/loss on sale of fixed assets	6	32
Net loss/(gain) on investments	(8,320)	2,438
Present value adjustment to finance leases	-	(4)
Actuarial (gain) on defined benefit pension scheme	1,639	(2,254)
(Gain)/loss on sale of subsidiary	-	(4)
	<b>(4,817)</b>	<b>2,185</b>
Decrease/(Increase) in stocks	56	(42)
(Increase)/Decrease in debtors	3,364	(243)
(Decrease) in creditors	(4,410)	(2,308)
(Decrease)/Increase in provisions	1,662	1,120
Difference between pension charge and cash contribution	(897)	(2,746)
	<b>(225)</b>	<b>(4,219)</b>
<b>Net cash from operating activities</b>	<b>3,330</b>	<b>(7,744)</b>
	<b>A</b>	
Cash flows from investing activities		
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(694)	(2,438)
Proceeds from sale of tangible fixed assets	203	9
Proceeds from sale of investment properties	1,021	1,698
Cash purchase of investments	(3,697)	(1,010)
Dividends received	699	1,012
Cash withdrawals from investments	9,621	6,316
Interest received in bank	8	6
Cash balance acquired with new subsidiary	-	95
<b>Net cash inflow/(outflow) for capital expenditure and financial investment</b>	<b>7,161</b>	<b>5,688</b>
<b>Net cash from investing activities</b>	<b>7,161</b>	<b>5,688</b>
	<b>B</b>	
Cash flows from financing activities		
<b>Returns on investment and servicing of finance</b>		
Proceeds from new loans	-	3,900
Repayments of borrowings	(5,558)	(2,001)
Proceeds from finance lease arrangements	-	418
Repayments of finance leases	(225)	(98)
<b>Net cash from financing activities</b>	<b>(5,783)</b>	<b>2,219</b>
	<b>C</b>	
Reconciliation of net cash flow to movement in net funds		
Net increase/(decrease) in cash in the period	<b>A+B+C</b>	
	4,708	163
Cash and cash equivalents at 1 April 2020	5,864	5,701
<b>Cash and cash equivalents at 31 March 2021</b>	<b>10,572</b>	<b>5,864</b>

# Notes to the financial statements

For the Year Ended 31 March 2021

## 1 a) Accounting policies

The Charity is a company limited by guarantee, incorporated in England and Wales on 20 February 2009 and registered as a charity on 25 February 2009. The members of the company are the trustees, who are also ordinary members and named on page 93. 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; and
- Key Management Personnel compensation has not been included for a second time.

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 and investment properties 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 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.

### Going concern

Age UK continues to prepare its financial statements on the basis that it is a going concern.

In doing so it has considered the potential ongoing impact of the coronavirus pandemic and the other business risks it faces and has put in place a number of actions to manage these.

The coronavirus outbreak led to the closure of Age UK's retail shops during lockdown which caused a significant loss of income as well as there being decreases across other normal income lines. In response to this, management undertook an urgent review of the retail estate resulting in the closure of 133 shops, ceased all non-essential expenditure and utilised the Government's Job Retention Scheme. We consulted with staff about making redundancies in retail, the charity, shared services, and Age Co to reduce costs. A work programme was implemented to make a number of other cost savings which



encompassed short-and long-term cost savings. Our Emergency Coronavirus Appeal ensured the continued delivery of our key services to older people and to support the local Age UK network, which have both seen unprecedented demand during the pandemic.

A robust three-year planning process has been carried out which looked at projected cash flows and reserves requirements over that period. A detailed recovery plan was also prepared at the outset of the pandemic to ensure future financial sustainability. The actions taken have enabled Age UK to meet its reserves threshold of £30 million and also increase its liquidity.

The Trustees believe that Age UK is well placed to manage its financing and other operational risks satisfactorily and have a reasonable expectation that Age UK will have adequate resources to continue in operation for the foreseeable future and meet its liabilities as they fall due. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### **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.

### **Volunteers**

During the year Age UK benefited from the time and skills of 7,500 volunteers. Volunteers are involved in a range of activities including in our shops and front-line telephone services. No value has been included in the accounts for this service.

### 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 four 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 a period ranging from 5 to 10 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. An actuarial 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. The provision for the cost of care meets the definition of an insurance contract as defined by FRS103. As permitted Age UK continues with its existing policy under FRS102 for measuring this liability. Further detail is provided in note 14.

## 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 three 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.

## Stock

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 expenditure incurred in acquiring the stock.

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 and investment property funds:** These funds represent the book value of fixed assets and investment properties, after allowing for the gifted housing scheme donor support provision.
- **Designated funds:** These fund represents legacies attributable to donors with a history of making a donation to the Charity's international activities, but has been received without any restriction. The Charity intends to spend these funds on international activities in recognition that the funds have been received from a donor known to support the Charity's international activities. They also contain funds received from our Covid-19 appeal.
- **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.

### Prior year adjustment

Income was understated by £150k in the prior year. This adjustment to Financial Services income relates to £337k unaccrued insurance commission income at the prior year end date 31 March 2020 and £187,000 of Funeral Services expenses also not accrued in the year.

## 1b) 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 million) has been applied at 31 March 2021 (2020: 20 per cent, £2.3 million) to reflect this.
- c) Donor support provision:** The Charity provides for future care costs and property maintenance related to its Gifted Housing Scheme. This requires assumptions on future costs, mortality rates and inflation. Where costs are incurred over a number of future periods provision calculations require a discount rate to bring them back to a present value. A rate of 6 per cent has been applied (2020: 5 per cent) based on historic and anticipated returns on investments. Further detail around the process used to determine the assumptions that have the greatest effect on the measurement of the recognised amount and the effect of changes in assumptions used to measure this liability is provided in note 14.
- d) Insurance policy cancellations and lapses:** Assumptions made relating to the early termination of contracts and the resulting provisions required.
- e) Onerous leases:** Where the decision has been taken to close shops, a provision has been recognised for the future lease costs as per the lease agreements.

## 2. Net resources available for charitable activities

	Income £'000	Expenditure £'000	2021 £'000	Income £'000	Expenditure £'000	2020 £'000
Donations and gifts	27,651	(3,347)	<b>24,304</b>	13,476	(3,300)	<b>10,176</b>
Legacies*	23,078	(3,810)	<b>19,268</b>	24,956	(4,024)	<b>20,932</b>
Grants, corporates and trusts	25,211	(5,288)	<b>19,923</b>	17,823	(1,975)	<b>15,848</b>
Lotteries and raffles	10,926	(2,058)	<b>8,868</b>	11,485	(6,856)	<b>4,629</b>
<b>Total fundraising</b>	<b>86,866</b>	<b>(14,503)</b>	<b>72,363</b>	<b>67,740</b>	<b>(16,155)</b>	<b>51,585</b>
Income from charitable activities	6,853		<b>6,853</b>	4,374		<b>4,374</b>
Net income from trading (i)	(17,738)		<b>(17,738)</b>	1,079		<b>1,079</b>
Investment income and interest	707		<b>707</b>	1,018		<b>1,018</b>
Net (loss)/gain on disposal of fixed assets	(6)		<b>(6)</b>	(32)		<b>(32)</b>
COVID-19 job retention scheme	8,988		<b>8,988</b>	336		<b>336</b>
<b>Net resources available for charitable activities</b>	<b>85,670</b>	<b>(14,503)</b>	<b>71,167</b>	<b>74,515</b>	<b>(16,155)</b>	<b>58,360</b>
<b>Total charitable expenditure</b>			<b>(69,255)</b>			<b>(63,610)</b>
% of income available for charitable activities			<b>83%</b>			<b>78%</b>
% of income spent on charitable activity			<b>97%</b>			<b>109%</b>
% of fundraising income available for charitable activities			<b>83%</b>			<b>76%</b>
<b>(i) Trading analysis</b>	<b>23,647</b>	<b>(41,385)</b>	<b>(17,738)</b>	<b>57,854</b>	<b>(56,775)</b>	<b>1,079</b>

\* An amount of £7,188,378 (2020 £7,067,766) 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 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	2021 £'000	2020 £'000
<b>Costs of generating funds</b>					
<b>(a) Costs of generating voluntary income</b>					
Donations and gifts	2,817	-	530	3,347	3,300
Legacies	3,284	-	526	3,810	4,024
Grants	4,895	-	393	5,288	1,975
Lotteries and raffles	1,530	-	528	2,058	6,856
	<b>12,526</b>	<b>-</b>	<b>1,977</b>	<b>14,503</b>	<b>16,155</b>
<b>(b) Costs of generating trading income</b>					
Retail	32,845	-	3,055	35,900	42,401
Financial services	4,290	-	1,012	5,302	12,924
Independent living solutions	54	-	129	183	1,450
Other trading costs	-	-	-	-	-
	<b>37,189</b>	<b>-</b>	<b>4,196</b>	<b>41,385</b>	<b>56,775</b>
<b>(c) Charitable activities</b>					
Campaigning and research	9,583	248	1,293	11,124	14,054
Information and advice	5,332	393	1,279	7,004	7,728
Health and care	4,822	90	1,189	6,101	3,665
Wellbeing	7,468	856	1,227	9,551	12,090
Support the network	3,374	15,915	1,228	20,517	11,621
International	1,249	13,208	501	14,958	14,452
	<b>31,828</b>	<b>30,710</b>	<b>6,717</b>	<b>69,255</b>	<b>63,610</b>
<b>Total expenditure</b>	<b>81,543</b>	<b>30,710</b>	<b>12,890</b>	<b>125,143</b>	<b>136,540</b>

## 4. Support costs

	Directorate £'000	Finance and legal £'000	Office management £'000	IT £'000	Human resources £'000	2021 Total £'000
<b>Costs of generating funds</b>						
<b>Costs of generating voluntary income</b>						
Donations and gifts	6	178	77	192	56	509
Legacies	6	178	76	192	57	509
Lotteries and raffles	40	219	40	53	10	362
Grants	6	179	77	192	57	511
	<b>58</b>	<b>754</b>	<b>270</b>	<b>629</b>	<b>180</b>	<b>1,891</b>
<b>Activities for generating trading funds</b>						
Retail	96	617	139	509	1,585	2,946
Financial services	18	343	165	358	88	972
Independent living solutions	18	77	6	15	4	120
Other trading costs	-	-	-	-	-	-
	<b>132</b>	<b>1,037</b>	<b>310</b>	<b>882</b>	<b>1,677</b>	<b>4,038</b>
<b>Charitable activities</b>						
Campaigning and research	20	243	247	445	293	1,248
Information and advice	19	240	246	440	290	1,235
Health and care	17	223	228	408	269	1,145
Wellbeing	18	230	236	421	278	1,183
Support the network	17	230	237	421	278	1,183
International	20	209	66	130	32	457
	<b>111</b>	<b>1,375</b>	<b>1,260</b>	<b>2,265</b>	<b>1,440</b>	<b>6,451</b>
<b>Governance costs</b>	168	151	68	67	56	510
<b>Total support costs</b>	<b>469</b>	<b>3,317</b>	<b>1,908</b>	<b>3,843</b>	<b>3,353</b>	<b>12,890</b>

Cost allocation includes an element of judgement and the Charity has had to consider the cost benefit of detailed calculations and record keeping. 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.



Directorate £'000	Finance and legal £'000	Office management £'000	IT £'000	Human resources £'000	2020 Total £'000
20	150	88	155	47	<b>460</b>
20	132	87	154	46	<b>439</b>
6	233	48	74	9	<b>370</b>
20	139	87	154	47	<b>447</b>
<b>66</b>	<b>654</b>	<b>310</b>	<b>537</b>	<b>149</b>	<b>1,716</b>
171	579	188	460	1,719	<b>3,117</b>
62	367	212	393	102	<b>1,136</b>
5	122	18	70	8	<b>223</b>
-	-	-	-	-	-
<b>238</b>	<b>1,068</b>	<b>418</b>	<b>923</b>	<b>1,829</b>	<b>4,476</b>
63	157	331	401	262	<b>1,214</b>
62	183	327	397	258	<b>1,227</b>
58	149	297	361	235	<b>1,100</b>
59	156	310	376	245	<b>1,146</b>
59	449	311	379	246	<b>1,444</b>
69	188	95	436	114	<b>902</b>
<b>370</b>	<b>1,282</b>	<b>1,671</b>	<b>2,350</b>	<b>1,360</b>	<b>7,033</b>
62	276	70	117	64	<b>589</b>
<b>736</b>	<b>3,280</b>	<b>2,469</b>	<b>3,927</b>	<b>3,402</b>	<b>13,814</b>

#### 4. Support costs (continued)

	2021 Total £'000	2020 Total £'000
Governance costs are made up of the following		
Internal audit	92	129
External audit	215	170
Trustees' expenses	-	1
Trustees' indemnity insurance	12	7
Trustees' conference and meeting costs	-	-
Apportionment of Directors' cost (based on time spent)	116	4
Other governance costs	161	289
	<b>596</b>	<b>600</b>
Element contained within support costs	510	589
Other governance costs	86	11
	<b>596</b>	<b>600</b>

#### 5. Staff costs and staff numbers

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Salaries and wages	35,527	39,468	9,369	9,271
Social security costs	2,772	3,069	844	857
Pension costs	2,968	3,715	1,477	1,576
	<b>41,267</b>	<b>46,252</b>	<b>11,690</b>	<b>11,704</b>

Total redundancy cost for 2021 was £2,845,482 for the Group (2020: £1,377,084) and £331,816 for the Charity (2020: £145,324).

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 nil (2020: £296,495).

At 31 March 2021 there are 1,319 staff members in the defined contribution schemes (2020: 1,769 members). Employers' contribution to the scheme totalled £3,203,776 in the year (2020: £4,130,277).

The average monthly headcount was 1,645 (2020: 1,924).

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

	Group 2021	Group 2020
Age UK Charity	319	282
Subsidiary Charities	150	136
Trading companies	789	1,101
	<b>1,258</b>	<b>1,519</b>

Some employees within the Age UK Trading companies provide support services to the Group, including the Charity.

Number of staff receiving remuneration above £60,000	Charitable activities 2021	Trading activities 2021	Total Group 2021	Charitable activities 2020	Trading activities 2020	Total Group 2020
£60,000 - £70,000	16.4	9.6	26.0	20.0	10.0	30.0
£70,001 - £80,000	5.6	6.4	12.0	3.8	5.2	9.0
£80,001 - £90,000	3.8	4.2	8.0	2.1	3.9	6.0
£90,001 - £100,000	3.3	2.7	6.0	2.2	3.8	6.0
£100,001 - £110,000	2.0	1.0	3.0	3.0	2.0	5.0
£110,001 - £120,000	1.5	0.5	2.0	-	1.0	1.0
£120,001 - £130,000	-	-	-	0.2	0.8	1.0
£140,001 - £150,000	-	-	-	0.5	0.5	1.0
£160,001 - £170,000	-	1.0	1.0	-	-	-
£170,001 - £180,000	-	-	-	0.3	0.7	1.0
£180,001 - £190,000	-	-	-	-	1.0	1.0
<b>Total banded employees</b>	<b>32.6</b>	<b>25.4</b>	<b>58.0</b>	<b>32.1</b>	<b>28.9</b>	<b>61.0</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 58 staff who received more than £60,000 in 2021 (2020: 61) was divided between the charitable and commercial activities of the Group.

Of the six staff who were paid more than £100,000, 42 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 £679,254 (2020: £247,576) 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 page 94).

There were eight Executive Directors who served in the year (2020: 7).

Remuneration in respect of Executive Directors including pension costs and employer national insurance was £1,019,359 of which £101,412 was employers' national insurance contributions (2020: £880,608 of which £81,254 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 Trustees during the year was £414, one trustee (2020: £899, five 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 £11,624 and (2020: £7,207).

## 7. Net income

Net income is stated after charging:	2021 £'000	2020 £'000
<b>Depreciation and amortisation of tangible and intangible fixed assets</b>	<b>2,565</b>	<b>2,995</b>
Trustees' indemnity insurance	12	7
Trustees' reimbursed expenses	-	1
<b>Interest payable</b>	<b>179</b>	<b>159</b>
<b>External Auditor's remuneration</b>		
Audit of these financial statements	80	59
Audit of subsidiary companies	135	111
Tax compliance	40	50
<b>Operating lease rentals – buildings</b>	<b>10,316</b>	<b>8,641</b>
<b>Operating lease rentals – other</b>	<b>274</b>	<b>363</b>

## 8. Tangible fixed assets

<b>Group</b>	Freehold and long-leasehold £'000	Gifted Housing £'000	Short leasehold £'000	Equipment, fixtures and fittings £'000	<b>Total £'000</b>
<b>Cost</b>					
Balance brought forward	214	5,959	12,688	12,688	<b>31,549</b>
Additions in year	-	371	296	27	<b>694</b>
Disposed with Age UK Suffolk	(142)	-	-	(310)	<b>(452)</b>
Disposals in year	-	-	(614)	(3,843)	<b>(4,457)</b>
Reclassified as investment property	(72)	(990)	-	-	<b>(1,062)</b>
<b>At 31 March 2021</b>	<b>-</b>	<b>5,340</b>	<b>12,370</b>	<b>8,562</b>	<b>26,272</b>
<b>Depreciation</b>					
Balance brought forward	(144)	(605)	(8,694)	(11,090)	<b>(20,533)</b>
Charge for the year	-	(79)	(1,659)	(827)	<b>(2,565)</b>
Disposed with Age UK Suffolk	137	-	-	303	<b>440</b>
Disposals in year	-	-	500	3,770	<b>4,270</b>
Reclassified as investment property	7	98	-	-	<b>105</b>
<b>At 31 March 2021</b>	<b>-</b>	<b>(586)</b>	<b>(9,853)</b>	<b>(7,844)</b>	<b>(18,283)</b>
<b>Net book value at 31 March 2021</b>	<b>-</b>	<b>4,754</b>	<b>2,517</b>	<b>718</b>	<b>7,989</b>
<b>Net book value at 31 March 2020</b>	<b>70</b>	<b>5,354</b>	<b>3,994</b>	<b>1,598</b>	<b>11,016</b>

<b>Charity</b>	Freehold and long-leasehold £'000	Gifted Housing £'000	Short leasehold £'000	Equipment, fixtures and fittings £'000	<b>Total £'000</b>
<b>Cost</b>					
Balance brought forward	72	5,959	12,688	12,100	<b>30,819</b>
Additions in year	-	371	296	-	<b>667</b>
Disposals in year	-	-	(613)	(3,838)	<b>(4,451)</b>
Reclassified as investment property	(72)	(990)	-	-	<b>(1,062)</b>
<b>Net book value</b>	<b>-</b>	<b>5,340</b>	<b>12,371</b>	<b>8,262</b>	<b>25,973</b>
<b>Depreciation</b>					
Balance brought forward	(7)	(605)	(8,694)	(10,623)	<b>(19,929)</b>
Charge for the year	-	(79)	(1,659)	(774)	<b>(2,512)</b>
Disposals in year	-	-	500	3,798	<b>4,298</b>
Reclassified as investment property	7	98	-	-	<b>105</b>
<b>At 31 March 2021</b>	<b>-</b>	<b>(586)</b>	<b>(9,853)</b>	<b>(7,599)</b>	<b>(18,038)</b>
<b>Net book value at 31 March 2021</b>	<b>-</b>	<b>4,754</b>	<b>2,518</b>	<b>663</b>	<b>7,935</b>
<b>Net book value at 31 March 2020</b>	<b>65</b>	<b>5,354</b>	<b>3,994</b>	<b>1,477</b>	<b>10,890</b>

## 8. Tangible fixed assets (continued)

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

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets building value				
Freehold interest, including gifted housing	3,553	3,957	3,553	3,952
	<b>3,553</b>	<b>3,957</b>	<b>3,553</b>	<b>3,952</b>

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets land value				
Freehold interest, including gifted housing	1,201	1,467	1,201	1,467

## 9. Investments

	Listed and unlisted investments £'000	Investment property £'000	Group £'000	Charity £'000
Investments				
Market value at 1 April 2020	47,651	11,730	59,381	62,881
Additions	3,697	-	3,697	3,697
Transfer from Fixed Assets	-	947	947	947
Disposals	(9,621)	(876)	(10,497)	(10,497)
Realised gain on disposals	2,845	(145)	2,700	2,700
Unrealised revaluation gain (loss)	4,834	641	5,475	5,475
<b>Market value at 31 March 2021</b>	<b>49,406</b>	<b>12,297</b>	<b>61,703</b>	<b>65,203</b>
Historic value at 31 March 2021	44,572	2,738	47,310	50,810

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.

One investment property, with a market valuation of £5.0m, has a £1.7 million charge over it as it has been offered as security for the defined benefit scheme holiday described in note 18.

## Listed and unlisted investments comprise of the following

		2021 £'000	2020 £'000
Sarasin & Partners Long and Short Term Investments			
Listed investments	- Fixed interest	3,520	4,286
	- Global equities	11,740	10,709
	- Alternative assets	2,527	3,329
		<b>17,787</b>	<b>18,324</b>
Unlisted investments	- Liquid assets	703	4,336
<b>Total Sarasin long term investments</b>		<b>18,490</b>	<b>22,660</b>
Goldman Sachs Investment Management Long Term Investments			
Listed investments	- Fixed interest	6,698	6,518
	- Global equities	9,280	9,418
	- Alternative assets	3,016	2,608
		<b>18,994</b>	<b>18,544</b>
Unlisted investments	- Liquid assets	9,082	4,091
<b>Total Goldman Sachs long term investments</b>		<b>28,076</b>	<b>22,635</b>
Endowment Funds			
Listed investments	- Fixed interest	312	316
	- Global equities	2,013	1,551
	- Alternative assets	280	289
		<b>2,605</b>	<b>2,156</b>
Unlisted investments	- Liquid assets	168	130
<b>Total Sarasin Endowment Fund investments</b>		<b>2,773</b>	<b>2,286</b>
Other listed investments:	- Other investments	67	70
<b>Total value of listed and unlisted investments</b>		<b>49,406</b>	<b>47,651</b>
Total value of listed investments		<b>39,453</b>	39,094
Total value of unlisted investments		<b>9,953</b>	8,557

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

Subsidiary undertaking	Principal activities	31 March 2021	31 March 2020	Company or Charity registration no
Ownership %				
<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	100	07897113
Age UK Trading CIC	To carry out trading activities to generate funds for Age UK	100	100	01102972
Age UK Enterprises Ltd	Insurance and other services for older people	100	100	03156159
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	100	06837284
Age UK Local Programmes Lottery CIC	To raise funds through lotteries	100	100	11335613
Age UK Information and Advice Lottery CIC	To raise funds through lotteries	100	100	11335248
Age UK Education and Research Lottery CIC	To raise funds through lotteries	100	100	11372685
The Silver Line Helpline	To raise funds for the dedicated support line for the elderly	100	100	01147330
<b>Subsidiaries of Age UK Enterprises Ltd</b>				
Age Concern Funeral Services Ltd	Funeral services for older people	100	100	02804368
<b>Subsidiaries of Age UK Suffolk</b>				
Age UK Suffolk Trading Limited	Trading subsidiary to generate funds for Age UK Suffolk	-	100	03052822
<b>Subsidiaries of Age Cymru</b>				
Age Cymru Enterprises Limited	Trading subsidiary to generate funds for Age Cymru	100	100	06776928

\* Note: Age UK Suffolk and its subsidiaries were floated from the group and subsequently ceased activities in the year ended 31 March 2021.



Subsidiary undertaking	Principal activities	31 March 2021	31 March 2020	Ownership %	Company or Charity registration no
<b>Non trading subsidiaries</b>					
<b>Subsidiaries of Age UK</b>					
Help the Aged	Residential care activities for the elderly & disabled	100	100		01263446
<b>Subsidiaries of Age UK Trading CIC</b>					
Age Concern Holdings Ltd	Non-trading company	100	100		01102971
Age Cymru Retail Ltd	Retail sale of other second-hand goods in stores	100	100		08010768
<b>Subsidiaries of Age Concern Holdings Ltd</b>					
Age Care and Leisure Services Ltd	Non-trading company	100	100		02716181
Age Concern Enterprises (Cymru) Ltd	Non-trading company	100	100		05744511
Age Concern Enterprises Ltd	Non-trading company	100	100		06776957
Age Concern Financial Partnerships Ltd	Non-trading company	100	100		03819694
Age Concern Financial Solutions Ltd	Other business support service activities not elsewhere classified	100	100		05260600
Age Concern Insurance Services Ltd	Non-trading company	100	100		02035367
Age Concern Ltd	Dormant Company	100	100		05425966
Age Concern Partnership Wales Ltd	Non-trading company	100	100		07471664
Age Concern Trading Ltd	Dormant Company	100	100		05522083
Age Concern Trust Corporation	Non-trading company	100	100		02547188
Age UK Services Ltd	Other service activities not elsewhere classified	100	100		06838416
Help the Aged Mail Order Ltd	Non-trading company	100	100		00893588
Help the Aged Trading Ltd	Non-trading company	100	100		02444170
intune Group Ltd	Non-trading company	100	100		02489376
RIA Trading Ltd	Non-trading company	100	100		03063659
<b>Subsidiaries of Age UK Suffolk*</b>					
Voluntree Limited	Non-trading company	-	100		07993376
<b>Subsidiary of Age Cymru</b>					
Age Cymru Trading Limited	Other retail sale not in stores, stalls or markets	100	100		08011995
Wales Council on Ageing	Linked charity – also known as Age Concern Cymru	100	100		1128436-1
<b>Subsidiary of intune group Ltd</b>					
intune Financial Services Ltd	Company is dormant	100	100		05989153
intune Services Ltd	Company is dormant	100	100		05989143
<b>Subsidiary of Help the Aged Mail Order Ltd</b>					
Age UK Holidays	Company is dormant	100	100		03218466
HtA Solutions Ltd	Company is dormant	100	100		03172472
<b>Subsidiary of The Silver Line Helpline</b>					
The Silver Line Helpline Enterprises Limited	Non-trading company	100	100		09190099

## 10. Stock

	<b>Group 2021</b> <b>£'000</b>	Group 2020 £'000	<b>Charity 2021</b> <b>£'000</b>	Charity 2020 £'000
Finished goods and goods for resale	<b>485</b>	541	-	-
	<b>485</b>	<b>541</b>	-	-

The amount of stock recognised as an expense in the income and expenditure account for the year was £492,487 (2020: £2,004,017).

## 11. Debtors

	<b>Group 2021</b> <b>£'000</b>	Group 2020 £'000	<b>Charity 2021</b> <b>£'000</b>	Charity 2020 £'000
Trade debtors	<b>1,940</b>	2,317	<b>103</b>	518
Amounts due from group undertakings	-	-	<b>1,777</b>	2,599
Other debtors	<b>799</b>	915	<b>275</b>	470
Prepayments and accrued income	<b>11,849</b>	14,720	<b>10,361</b>	12,944
	<b>14,588</b>	<b>17,952</b>	<b>12,516</b>	<b>16,531</b>

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

	<b>Group 2021</b> <b>£'000</b>	Group 2020 £'000	<b>Charity 2021</b> <b>£'000</b>	Charity 2020 £'000
Trade creditors	<b>(1,925)</b>	(4,076)	<b>(1,925)</b>	(3,945)
Amounts due to group undertakings	-	-	<b>(14,983)</b>	(13,726)
Tax and social security payable	<b>(665)</b>	(1,192)	<b>(647)</b>	(1,104)
Corporation tax payable	<b>(54)</b>	-	-	-
Other creditors	<b>(943)</b>	(624)	<b>(505)</b>	(479)
Loans	<b>(1,092)</b>	(6,650)	<b>(1,092)</b>	(6,650)
Finance lease obligations	<b>(159)</b>	(188)	<b>(159)</b>	(170)
Grant accruals	<b>(634)</b>	(1,268)	<b>(325)</b>	(383)
Accruals and deferred income	<b>(8,097)</b>	(7,979)	<b>(5,456)</b>	(3,942)
	<b>(13,569)</b>	<b>(21,977)</b>	<b>(25,092)</b>	<b>(30,399)</b>

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

	<b>Group 2021</b> <b>£'000</b>	Group 2020 £'000	<b>Charity 2021</b> <b>£'000</b>	Charity 2020 £'000
Deferred income at 1 April	<b>(2,493)</b>	(2,493)	<b>(42)</b>	(68)
Amounts released from previous years	<b>2,493</b>	2,493	<b>42</b>	68
Incoming resources deferred in the year	<b>(2,330)</b>	(2,493)	<b>(565)</b>	(42)
<b>Deferred income at 31 March</b>	<b>(2,330)</b>	<b>(2,493)</b>	<b>(565)</b>	<b>(42)</b>

Deferred income as at 31 March 2021 is mainly made up of the following items: sales of lottery tickets for future draws £1,360,845 (2020: £1,241,921; insurance commission paid in advance £188,949 (2020: £875,127) and other balances totaling £780,208.

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

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Loans payable after one year	(483)	(1,576)	(483)	(1,576)
Other creditors after one year	-	-	-	-
Finance leases after one year	(122)	(318)	(122)	(282)
Rent free period after one year	(430)	(926)	(430)	(926)
Deferred income after one year	-	-	-	-
	<b>(1,035)</b>	<b>(2,820)</b>	<b>(1,035)</b>	<b>(2,784)</b>
<b>Creditors due after one year</b>				
1-2 years	(679)	(2,202)	(679)	(2,179)
2-5 years	(151)	(618)	(151)	(605)
Over 5 years	(205)	-	(205)	-
	<b>(1,035)</b>	<b>(2,820)</b>	<b>(1,035)</b>	<b>(2,784)</b>

As at 31 March 2021 finance lease obligations due within one year were £159,016 and those due within one – two years were £122,517.

## 14. Provisions for liabilities and charges

	<b>Group 2021</b>	Group 2020	<b>Charity 2021</b>	Charity 2020
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Provisions at 1 April	<b>(10,977)</b>	(9,857)	<b>(9,890)</b>	(9,269)
Utilised in the year	<b>3,810</b>	580	<b>3,375</b>	549
Charged to statement of financial activities	<b>(5,472)</b>	(1,700)	<b>(5,381)</b>	(1,170)
<b>Provisions at 31 March</b>	<b>(12,639)</b>	<b>(10,977)</b>	<b>(11,896)</b>	<b>(9,890)</b>

	<b>Group 2021</b>	Group 2020	<b>Charity 2021</b>	Charity 2020
	<b>£'000</b>	£'000	<b>£'000</b>	£'000
Provisions due within one year	<b>(4,860)</b>	(2,423)	<b>(4,117)</b>	(1,336)
Provisions due after more than one year	<b>(7,779)</b>	(8,554)	<b>(7,779)</b>	(8,554)
	<b>(12,639)</b>	<b>(10,977)</b>	<b>(11,896)</b>	<b>(9,890)</b>

The provision for liabilities and charges as at 31 March 2021 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 £4,244,076 (2020: £5,423,998). The provision is based on the estimated future cash flows to be incurred in settling the liabilities of the gifted housing scheme. Key assumptions relate to the inflationary cost applied to cost assumptions, life expectancy and discount rate.

The following table details the effect of a change in each of these assumptions  $\pm$  1 per cent:

Assumption	Change	Movement on provision	
		1.00%	-1.00%
Discount rate	$\pm$ 1.0% on Discount rate	(127,437)	136,483
Annual care costs	$\pm$ 1.0% on annual cost rate	70,797	(66,968)
Annual property costs	$\pm$ 1.0% on annual cost rate	34,596	(32,726)
Life expectancy	Mortality rate $\pm$ 1 per year	(464,396)	538,527

- Provision for dilapidations work across the retail estate £2,837,913 (2020:£2,432,902). This is an ongoing provision.
- Provision for dilapidations work at the Ashburton site £40,000 (2020:£40,000). This is an ongoing provision.
- Legacy provision £50,000 (2020: £50,000) against legacies deemed doubtful. Expense to be incurred in FY21/22.
- Cost associated with the closure of 'The Wireless' digital radio station £657,470 (2020:£657,470). The provision will be settled in the period(s) to November 2023.
- Retail estate onerous contracts £2,817,081 (2020: £439,513).
- Provision to support the existing Claritas customer base £27,374 following their entering administration (2020: £27,374). The provision must be retained until FY23/24. Expenditure can take place at any time until then.
- Provision for TAM closure £19,074 (2020: £512,829). Expense to be incurred in by February 2022.
- Retail Gift Aid provision £2,494 (2020: £3,034). Expense will be incurred in the course of FY21/22.
- Insurance policy cancellations and lapses £400,678 (2020: £337,845). This expense will be incurred in FY21/22.
- Holiday pay provision £1,473,032 (2020 £1,024,609).
- VAT liability £70,000 (2020: £0). There is the potential that a proportion of clients benefiting from the Winter Press project will be self referrals. These clients may not be covered by welfare exemption, the provision is for the associated VAT liability.

## 15. Financial instruments

	<b>Group 2021</b> <b>£'000</b>	<b>Group 2020</b> <b>£'000</b>	<b>Charity 2021</b> <b>£'000</b>	<b>Charity 2020</b> <b>£'000</b>
Assets – amortised	<b>23,064</b>	20,226	<b>15,565</b>	16,703
Assets at fair value	<b>49,406</b>	47,651	<b>49,406</b>	47,651
Liabilities – amortised	<b>(11,598)</b>	(22,349)	<b>(24,959)</b>	(32,354)

The company holds 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		1 April 2019	2020				
			*Income	Expenditure	Other gains and losses	Transfers	31 March 2020
£'000							
Endowed funds							
Charity of C E Saunders	A	1,120	36	-	(52)	-	1,104
Gillingham	A	1,234	40	-	(58)	-	1,216
Miss E Lipson Trust	A	193	3	-	(18)	-	178
ACE Legacy endowment fund		50	-	-	-	-	50
Total endowed funds		2,597	79	-	(128)	-	2,548
Restricted funds United Kingdom							
Campaigning and research		60	7,745	(8,863)	-	2,234	1,176
Information and advice		1,049	4,595	(2,788)	-	(1,569)	1,287
Wellbeing		2,212	6,831	(4,193)	-	(3,209)	1,641
Supporting the network		3,522	5,855	(2,307)	1	(2,634)	4,437
Total Charitable Activities UK		6,843	25,026	(18,151)	1	(5,178)	8,541
Cost of generating voluntary income			-	(6,441)	-	6,441	-
Total United Kingdom	B	6,843	25,026	(24,592)	1	1,263	8,541
International							
Development		452	8,041	(6,812)	-	(1,350)	331
Emergency relief		23	186	(184)	-	6	31
Other international projects		1,357	474	(662)	-	(88)	1,081
Total international	C	1,832	8,701	(7,658)	-	(1,432)	1,443
Total restricted funds		8,675	33,727	(32,250)	1	(169)	9,984
Total restricted and endowed funds		11,272	33,806	(32,250)	(127)	(169)	12,532
Unrestricted funds							
Fixed asset funds		6,105	-	-	-	(513)	5,592
Investment property reserve		12,768	-	-	-	(1,038)	11,730
General Funds		33,703	65,335	(74,082)	(2,587)	(5,412)	16,957
Designated Funds		787	-	(2)	-		785
Non-Charitable Trading Funds		5,055	32,149	(29,324)	-	3,504	11,384
Unrestricted Funds excluding Pension Reserve	*	58,418	97,484	(103,408)	(2,587)	(3,459)	46,448
Pension Reserve		(12,247)	-	(882)	2,254	3,628	(7,247)
Total funds	*	57,443	131,290	(136,540)	(460)	-	51,733

2021 (E)				
Income	Expenditure	Other gains and losses	Transfers (D)	31 March 2021 (E)
£'000				
37	-	215	-	1,356
40	-	236	-	1,492
3	-	36	-	217
-	-	-	-	50
<b>80</b>	<b>-</b>	<b>487</b>	<b>-</b>	<b>3,115</b>
9,019	(6,911)	-	(41)	3,243
3,210	(1,754)	-	(491)	2,252
6,357	(3,275)	-	(116)	4,607
2,140	(2,490)	-	(30)	4,057
<b>20,726</b>	<b>(14,430)</b>	<b>-</b>	<b>(678)</b>	<b>14,159</b>
-	-	-	-	-
<b>20,726</b>	<b>(14,430)</b>	<b>-</b>	<b>(678)</b>	<b>14,159</b>
6,973	(6,428)	-	(688)	188
2,614	(2,801)	-	171	15
19	(736)	-	89	453
<b>9,606</b>	<b>(9,965)</b>	<b>-</b>	<b>(428)</b>	<b>656</b>
<b>30,332</b>	<b>(24,395)</b>	<b>-</b>	<b>(1,106)</b>	<b>14,815</b>
<b>30,412</b>	<b>(24,395)</b>	<b>487</b>	<b>(1,106)</b>	<b>17,930</b>
-	-	-	(1,847)	3,745
-	-	-	567	12,297
52,369	(63,405)	7,612	662	14,195
12,939	(11,477)	-	(61)	2,186
31,335	(24,973)	-	(5)	17,741
<b>96,643</b>	<b>(99,855)</b>	<b>7,612</b>	<b>(684)</b>	<b>50,164</b>
-	(893)	(1,639)	1,790	(7,989)
<b>127,055</b>	<b>(125,143)</b>	<b>6,460</b>	<b>-</b>	<b>60,105</b>

## 16. Movement in funds (continued)

Age UK the Charity			2020				
			Income	Expenditure	Other gains and losses	Transfers	31 March 2020
1 April 2019							
£'000							
Endowed funds							
Charity of C E Saunders	A	1,120	36	-	(52)	-	1,104
Gillingham	A	1,234	40	-	(58)	-	1,216
Miss E Lipson Trust	A	193	3	-	(18)	-	178
ACE Legacy endowment fund		50	-	-	-	-	50
Total endowed funds		2,597	79	-	(128)	-	2,548
Restricted funds United Kingdom							
Campaigning and research		9	7,431	(6,645)	-	313	1,108
Information and advice		1,039	4,354	(4,760)	-	600	1,233
Wellbeing		2,004	5,900	(6,522)	-	(268)	1,114
Supporting the network		3,382	5,790	(4,531)	-	(978)	3,663
Total United Kingdom	B	6,434	23,475	(22,458)	-	(333)	7,118
International							
Development		421	1,490	(1,696)	-	(8)	207
Emergency relief		23	136	(136)	-	8	31
Other international projects		1,357	402	(678)	-	-	1,081
Total international	C	1,801	2,028	(2,510)	-	-	1,319
Total restricted funds		8,235	25,503	(24,968)	-	(333)	8,437
Total restricted and endowed funds		10,832	25,582	(24,968)	(128)	(333)	10,985
Unrestricted funds							
Fixed asset funds		6,017	-	-	-	(551)	5,466
Investment property reserve		12,768	-	-	-	(1,038)	11,730
General Funds		33,223	63,317	(71,636)	(2,723)	(1,545)	20,636
Designated Funds		715	-	-	-	-	715
Unrestricted Funds excluding Pension Reserve		52,723	63,317	(71,636)	(2,723)	(3,134)	38,547
Pension Reserve		(11,934)	-	(846)	2,108	3,467	(7,205)
Total funds		51,621	88,899	(97,450)	(743)	-	42,327



<b>2021</b>				
Income	Expenditure	Other gains and losses	Transfers	31 March 2020
£'000				
37	-	215	-	1,356
40	-	236	-	1,492
3	-	36	-	217
-	-	-	-	50
<b>80</b>	<b>-</b>	<b>487</b>	<b>-</b>	<b>3,115</b>
9,029	(6,899)	-	(7)	3,231
3,195	(1,787)	-	(265)	2,376
4,510	(1,388)	-	(111)	4,125
2,177	(2,438)	-	552	3,954
<b>18,911</b>	<b>(12,512)</b>	<b>-</b>	<b>169</b>	<b>13,686</b>
40	(152)	-	(1)	94
10	(32)	-	(9)	-
-	(628)	-	-	453
<b>50</b>	<b>(812)</b>	<b>-</b>	<b>(10)</b>	<b>547</b>
<b>18,961</b>	<b>(13,324)</b>	<b>-</b>	<b>159</b>	<b>14,233</b>
<b>19,041</b>	<b>(13,324)</b>	<b>487</b>	<b>159</b>	<b>17,348</b>
-	-	-	(1,775)	3,691
-	-	-	567	12,297
57,480	(61,639)	-	(687)	15,790
12,939	(11,477)	-	-	2,177
<b>70,419</b>	<b>(73,116)</b>	<b>-</b>	<b>(1,895)</b>	<b>33,955</b>
-	(878)	(1,620)	1,736	(7,967)
<b>89,460</b>	<b>(87,318)</b>	<b>(1,133)</b>	<b>-</b>	<b>43,336</b>

## 16. Movement in funds (continued)

Help Age International UK	1 April 2019	2020				31 March 2020
		Income	Expenditure	Other gains and losses	Transfers	
		£'000				
International						
Development	31	7,977	(6,543)		(1,342)	123
Emergency relief	-	202	(199)		(3)	-
Other International Projects	-	751	(662)	-	(89)	-
Total International	31	8,930	(7,404)		(1,434)	123
Total restricted funds	31	8,930	(7,404)	-	(1,434)	123
Unrestricted funds						
General Funds	-	6,339	(7,772)	-	1,434	1
Unrestricted funds	-	6,339	(7,772)	-	1,434	1
Total funds	31	15,269	(15,176)	-	-	124

**Note:**

**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 £1,106k 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.

2021				
Income	Expenditure	Other gains and losses	Transfers	31 March 2021
£'000				
6,972	(6,316)		(686)	93
2,637	(2,801)		180	16
648	(736)	-	88	-
<b>10,257</b>	<b>(9,853)</b>		<b>(418)</b>	<b>109</b>
<b>10,257</b>	<b>(9,853)</b>	-	<b>(418)</b>	<b>109</b>
5,098	(5,497)	-	418	20
<b>5,098</b>	<b>(5,497)</b>	-	<b>418</b>	<b>20</b>
<b>15,355</b>	<b>(15,350)</b>	-	-	<b>129</b>

**E:** Selected restricted funds with closing balances greater than £400k at 31 March 2021 include:

**Information and advice funds:** Information & Advice Restricted: Funds raised by lottery to support this specific activity type. £1,721k

**Wellbeing funds:** Dementia Pilots Programme: For use in specified dementia-related projects. £2,929k

**Long Term Condition Campaign:** For use in specified projects. £1,465k

**Education & Research Restricted:** Funds raised by lottery to support this specific activity type. £799k

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

**Support the network and other funds:** The Craig & Jill Thomas Fund: Fund name prescribed. Funds solely for the 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. £453k

**F:** A review of expenditure in relation to International restricted funds identified £1,915k expenditure to be allocated to International restricted funds. Accordingly opening restricted funds reduced by £1,915k with a corresponding increase in unrestricted funds. Furthermore, group transfers in relation to international funds have been updated.

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

	2021			2020		
	Unrestricted £'000	Restricted and endowed £'000	Total £'000	Unrestricted £'000	Restricted and endowed £'000	Total £'000
<b>The Group</b>						
<b>Fixed assets</b>						
Tangible fixed assets	7,989	-	<b>7,989</b>	11,016	-	<b>11,016</b>
Investments	46,930	14,773	<b>61,703</b>	49,095	10,286	<b>59,381</b>
<b>Current assets</b>						
Stock	485	-	<b>485</b>	541	-	<b>541</b>
Debtors	14,588	-	<b>14,588</b>	17,952	-	<b>17,952</b>
Cash at bank and in hand	7,415	3,157	<b>10,572</b>	3,618	2,246	<b>5,864</b>
<b>Liabilities</b>						
Current liabilities	(13,569)	-	<b>(13,569)</b>	(21,977)	-	<b>(21,977)</b>
Long-term liabilities	(1,035)	-	<b>(1,035)</b>	(2,820)	-	<b>(2,820)</b>
Provisions for liabilities and charges	(12,639)	-	<b>(12,639)</b>	(10,977)	-	<b>(10,977)</b>
Defined-benefit pension scheme liability	(7,989)	-	<b>(7,989)</b>	(7,247)	-	<b>(7,247)</b>
	<b>42,175</b>	<b>17,930</b>	<b>60,105</b>	<b>39,201</b>	<b>12,532</b>	<b>51,733</b>

	2021			2020		
	Unrestricted £'000	Restricted and endowed £'000	Total £'000	Unrestricted £'000	Restricted and endowed £'000	Total £'000
<b>The Charity</b>						
<b>Fixed assets</b>						
Tangible fixed assets	7,935	-	<b>7,935</b>	10,890	-	<b>10,890</b>
Investments	50,430	14,773	<b>65,203</b>	52,595	10,286	<b>62,881</b>
<b>Current assets</b>						
Stock	-	-	<b>-</b>	-	-	<b>-</b>
Debtors	12,516	-	<b>12,516</b>	16,531	-	<b>16,531</b>
Cash at bank and in hand	1,097	2,575	<b>3,672</b>	1,604	699	<b>2,303</b>
<b>Liabilities</b>						
Current liabilities	(25,092)	-	<b>(25,092)</b>	(30,399)	-	<b>(30,399)</b>
Long-term liabilities	(1,035)	-	<b>(1,035)</b>	(2,784)	-	<b>(2,784)</b>
Provisions for liabilities and charges	(11,896)	-	<b>(11,896)</b>	(9,890)	-	<b>(9,890)</b>
Defined-benefit pension scheme liability	(7,967)	-	<b>(7,967)</b>	(7,205)	-	<b>(7,205)</b>
	<b>25,988</b>	<b>17,348</b>	<b>43,336</b>	<b>31,342</b>	<b>10,985</b>	<b>42,327</b>

## 18. Pension schemes

<b>Cost to the Group</b>	<b>Group 2021 £'000</b>	<b>Group 2020 £'000</b>	<b>Charity 2021 £'000</b>	<b>Charity 2020 £'000</b>
<b>Defined benefit scheme</b>				
Age Concern section	416	430	401	396
Help the Aged section	477	450	477	450
<b>Total defined-benefit scheme costs</b>	<b>893</b>	<b>880</b>	<b>878</b>	<b>846</b>
<b>Defined contribution scheme</b>				
Age UK Pension Plan	1,977	2,834	526	732
<b>Pensions cost</b>	<b>2,870</b>	<b>3,714</b>	<b>1,404</b>	<b>1,578</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 2022 Age UK is expected to pay contributions of £27,844.

### 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 2021 included in liabilities due within one year there was an amount

of £258,284 (2020: £322,440) due for employer and employee pension contributions, these were paid across to the pension scheme in April 2021. 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 and 2019. From April 2019 auto enrolment rates were 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. Members have always had the flexibility to choose a higher level of personal contribution although a corresponding increase in the employer contribution rate was removed from 1 April 2020 after consultation with staff due to the financial impact of the pandemic on Age UK. This is being kept under regular review. Employers contribution to the scheme totalled £3,203,776 in the year (2020: £4,130,996).

### 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 being multi employer schemes and both 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.

## 18. Pension schemes (continued)

For the year ending 31 March 2021 Age UK expected 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. Due to the impact of COVID-19 the Pension Trustees agreed to give a six month payment holiday reducing the total payable to £1.72 million. These contributions include an allowance for administration expenses and Pension Protection Fund.

The most recent full actuarial valuation for the Age UK Retirement Benefits Scheme took place on 1 April 2019.

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 2019.

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	2021 AC %	2021 HtA %	2020 AC %	2020 HtA %
Inflation assumption (RPI)	3.10	3.10	2.80	2.80
Inflation assumption (CPI)	2.30	2.30	1.80	1.80
Rate of increase in salaries	N/A	3.10	N/A	2.80
<b>Pension increases</b>				
Rate of increase in payment of pre 2005 pensions	3.10	2.30	3.00	1.80
Rate of increase in payment of post 2005 pensions	2.50	2.30	2.50	1.80
Discount rate	2.10	2.10	2.20	2.20

Principal demographic assumptions at the balance sheet date	2021 AC years	2021 HtA years	2020 AC years	2020 HtA years
<b>Assumed life expectancies on retirement at age 65</b>				
Retiring today – males	87.1	87.1	86.7	86.7
Retiring today – females	89.4	89.4	89.0	89.0
Retiring in 20 years – males	88.1	88.1	87.7	87.7
Retiring in 20 years – females	90.6	90.6	90.2	90.2

Allowance has been made for all members to exchange 80 per cent of the maximum cash allowance available upon retirement. The mortality assumptions are:

S3P base tables projected by year of birth assuming future improvements in line with CMI 2020 core projections with a long-term rate of improvement of 1 per cent pa.

Major categories of plan assets	2021 AC £'000	2021 HtA £'000	2021 Total £'000	%	2020 AC £'000	2020 HtA £'000	2020 Total £'000	%
<b>The Group</b>								
Equities	14,468	14,106	<b>28,574</b>	19.8	10,483	10,643	<b>21,126</b>	15.6
Diversified growth	9,414	13,780	<b>23,194</b>	16	8,828	12,265	<b>21,093</b>	15.6
Property	-	-	-	-	5,053	-	<b>5,053</b>	3.7
Gilts and bonds	49,413	39,779	<b>89,192</b>	61.6	46,217	40,495	<b>86,712</b>	63.9
Cash	1,770	1,951	<b>3,721</b>	2.6	721	928	<b>1,649</b>	1.2
	<b>75,065</b>	<b>69,616</b>	<b>144,681</b>	<b>100</b>	<b>71,302</b>	<b>64,331</b>	<b>135,633</b>	<b>100</b>
<b>The Charity</b>								
Equities	13,931	14,106	<b>28,037</b>	19.7	9,629	10,643	<b>20,272</b>	15.6
Diversified growth	9,065	13,780	<b>22,845</b>	16.1	8,109	12,265	<b>20,374</b>	15.7
Property	-	-	-	-	4,642	-	<b>4,642</b>	3.6
Gilts and bonds	47,577	39,779	<b>87,356</b>	61.6	42,454	40,495	<b>82,949</b>	63.9
Cash	1,703	1,951	<b>3,654</b>	2.6	661	928	<b>1,589</b>	1.2
	<b>72,276</b>	<b>69,616</b>	<b>141,892</b>	<b>100</b>	<b>65,495</b>	<b>64,331</b>	<b>129,826</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	2021 AC £'000	2021 HtA £'000	2021 Total £'000	2020 AC £'000	2020 HtA £'000	2020 Total £'000
<b>The Group</b>						
Fair value of assets	75,065	69,616	<b>144,681</b>	71,302	64,331	<b>135,633</b>
Present value of funded defined benefit obligations	(75,616)	(77,054)	<b>(152,670)</b>	(71,803)	(71,077)	<b>(142,880)</b>
<b>Funded status</b>	<b>(551)</b>	<b>(7,438)</b>	<b>(7,989)</b>	<b>(501)</b>	<b>(6,746)</b>	<b>(7,247)</b>
Liability recognised on the balance sheet	(551)	(7,438)	<b>(7,989)</b>	(501)	(6,746)	<b>(7,247)</b>
<b>The Charity</b>						
Fair value of assets	72,276	69,616	<b>141,892</b>	65,496	64,331	<b>129,827</b>
Present value of funded defined benefit obligations	(72,807)	(77,052)	<b>(149,859)</b>	(65,956)	(71,076)	<b>(137,032)</b>
<b>Funded status</b>	<b>(531)</b>	<b>(7,436)</b>	<b>(7,967)</b>	<b>(460)</b>	<b>(6,745)</b>	<b>(7,205)</b>
Liability recognised on the balance sheet	(531)	(7,436)	<b>(7,967)</b>	(460)	(6,745)	<b>(7,205)</b>

**18. Pension schemes (continued)**

Amounts recognised in the income statement	2021 AC £'000	2021 HtA £'000	2021 Total £'000	2020 AC £'000	2020 HtA £'000	2020 Total £'000
<b>The Group</b>						
<b>Operating cost</b>						
Past service cost	12	17	29	-	-	-
Administration expenses	403	322	725	364	266	630
Interest on net defined liability	1	138	139	66	184	250
Pension expense recognised in the income statement	416	477	893	430	450	880
<b>The Charity</b>						
<b>Operating cost</b>						
Past service cost	12	17	29	-	-	-
Administration expenses	388	322	710	335	266	601
Interest on net defined liability	1	138	139	61	184	245
Pension expense recognised in the income statement	401	477	878	396	450	846
Amounts recognised in other comprehensive income	2021 AC £'000	2021 HtA £'000	2021 Total £'000	2020 AC £'000	2020 HtA £'000	2020 Total £'000
<b>The Group</b>						
Asset (losses)/gains arising during the year	3,881	5,513	9,394	910	(1,951)	(1,041)
Liability gains/(losses) arising during the year	(4,411)	(6,622)	(11,033)	815	2,477	3,292
Pension gain recognised in the income statement	(530)	(1,109)	(1,639)	1,725	526	2,251
<b>The Charity</b>						
Asset (losses)/gains arising during the year	3,674	5,513	9,187	1,117	(1,951)	(834)
Liability gains/(losses) arising during the year	(4,185)	(6,622)	(10,807)	465	2,477	2,942
Pension gain recognised in the income statement	(511)	(1,109)	(1,620)	1,582	526	2,108



Change in the fair value of Scheme assets	2021 AC £'000	2021 HtA £'000	2021 Total £'000	2020 AC £'000	2020 HtA £'000	2020 Total £'000
<b>The Group</b>						
Opening fair value of Scheme assets	71,302	64,331	135,633	69,195	64,908	134,103
Assets acquired	-	-	-	217	-	217
Interest income on Scheme assets	1,555	1,396	2,951	1,657	1,549	3,206
(Losses)/gains on Scheme assets	3,881	5,513	9,394	910	(1,506)	(596)
Employer contributions	914	877	1,791	1,877	1,726	3,603
Net benefits paid	(2,184)	(2,179)	(4,363)	(2,190)	(2,080)	(4,270)
Administration costs incurred	(403)	(322)	(725)	(364)	(266)	(630)
<b>Closing fair value of Scheme assets</b>	<b>75,065</b>	<b>69,616</b>	<b>144,681</b>	<b>71,302</b>	<b>64,331</b>	<b>135,633</b>
<b>The Charity</b>						
Opening fair value of Scheme assets	65,496	64,331	129,827	63,279	64,908	128,187
Assets acquired	3,217	-	3,217	217	-	217
Interest income on Scheme assets	1,498	1,396	2,894	1,515	1,549	3,064
(Losses)/gains on Scheme assets	3,674	5,513	9,187	1,117	(1,506)	(389)
Employer contributions	883	877	1,760	1,714	1,726	3,440
Net benefits paid	(2,104)	(2,179)	(4,283)	(2,011)	(2,080)	(4,091)
Administration costs incurred	(388)	(322)	(710)	(335)	(266)	(601)
<b>Closing fair value of Scheme assets</b>	<b>72,276</b>	<b>69,616</b>	<b>141,892</b>	<b>65,496</b>	<b>64,331</b>	<b>129,827</b>
Actual return on Scheme assets	2021 AC £'000	2021 HtA £'000	2021 Total £'000	2020 AC £'000	2020 HtA £'000	2020 Total £'000
<b>The Group</b>						
Interest income on Scheme assets	1,555	1,396	2,951	1,657	1,549	3,206
(Losses)/gains on Scheme assets	3,881	5,513	9,394	910	(1,506)	(596)
<b>Actual return on Scheme assets</b>	<b>5,436</b>	<b>6,909</b>	<b>12,345</b>	<b>2,567</b>	<b>43</b>	<b>2,610</b>
<b>The Charity</b>						
Interest income on scheme assets	1,498	1,396	2,894	1,515	1,549	3,064
(Losses)/gains on scheme assets	3,674	5,513	9,187	1,117	(1,506)	(389)
<b>Actual return on Scheme assets</b>	<b>5,172</b>	<b>6,909</b>	<b>12,081</b>	<b>2,632</b>	<b>43</b>	<b>2,675</b>

**18. Pension schemes (continued)**

Change in the present value of the defined benefit obligation	2021 AC £'000	2021 HtA £'000	2021 Total £'000	2020 AC £'000	2020 HtA £'000	2020 Total £'000
<b>The Group</b>						
Opening defined benefit obligation	71,803	71,077	<b>142,880</b>	72,868	73,482	<b>146,350</b>
Liabilities assumed	-	-	-	217	-	<b>217</b>
Interest expense on defined benefit obligation	1,556	1,534	<b>3,090</b>	1,723	1,786	<b>3,509</b>
Past service cost	12	18	<b>30</b>	-	-	-
Actuarial (gains)/losses arising on scheme liabilities	4,429	6,604	<b>11,033</b>	(815)	(2,111)	<b>(2,926)</b>
Net benefits paid	(2,184)	(2,179)	<b>(4,363)</b>	(2,190)	(2,080)	<b>(4,270)</b>
<b>Closing defined benefit obligation</b>	<b>75,616</b>	<b>77,054</b>	<b>152,670</b>	<b>71,803</b>	<b>71,077</b>	<b>142,880</b>
<b>The Charity</b>						
Opening defined benefit obligation	65,956	71,076	<b>137,032</b>	66,639	73,482	<b>140,121</b>
Liabilities assumed	3,240	-	<b>3,240</b>	217	-	<b>217</b>
Interest expense on defined benefit obligation	1,499	1,534	<b>3,033</b>	1,576	1,785	<b>3,361</b>
Past service cost	12	17	<b>29</b>	-	-	-
Actuarial (gains)/losses arising on scheme liabilities	4,203	6,604	<b>10,807</b>	(465)	(2,111)	<b>(2,576)</b>
Net benefits paid	(2,103)	(2,179)	<b>(4,282)</b>	(2,011)	(2,080)	<b>(4,091)</b>
<b>Closing defined benefit obligation</b>	<b>72,807</b>	<b>77,052</b>	<b>149,859</b>	<b>65,956</b>	<b>71,076</b>	<b>137,032</b>



## 19. Consolidated Statement of Financial Activities for the year ended 31 March 2020 (prior year)

INCOME FROM:	Note	Unrestricted £'000	Restricted & endowed £'000	2020 £'000
<b>Voluntary income</b>				
Donations and gifts		9,099	4,377	13,476
Legacies		24,182	774	24,956
Grants, corporate and trusts		1,062	16,761	17,823
Lotteries and raffles		-	11,485	11,485
<b>Total voluntary income</b>		<b>34,343</b>	<b>33,397</b>	<b>67,740</b>
<b>Trading activities</b>				
Charity Shops		40,364	-	40,364
Financial Services		13,470	12	13,482
Independent Living Solutions		2,484	-	2,484
Other trading income		1,236	288	1,524
<b>Total income from trading activities</b>		<b>57,554</b>	<b>300</b>	<b>57,854</b>
<b>Investment and interest income</b>		<b>939</b>	<b>79</b>	<b>1,018</b>
<b>Charitable activities</b>				
Campaigning and research		55	-	55
Information and advice		58	-	58
Health and care		1,294	-	1,294
Wellbeing		975	16	991
Support the network		1,955	14	1,969
International		7	-	7
<b>Total income from charitable activities</b>		<b>4,344</b>	<b>30</b>	<b>4,374</b>
<b>Other income</b>				
Net (loss)/gain on disposal of fixed assets		(32)	-	(32)
COVID-19 retention scheme		336	-	336
<b>TOTAL INCOME</b>		<b>97,484</b>	<b>33,806</b>	<b>131,290</b>
<b>EXPENDITURE ON:</b>				
<b>Cost of raising funds</b>				
Cost of generating voluntary income	3a	(9,714)	(6,441)	(16,155)
Cost of generating trading income	3b			
Cost of Charity Shops		(42,401)	-	(42,401)
Cost of Financial Services		(12,924)	-	(12,924)
Cost of Independent Living Solutions		(1,450)	-	(1,450)
<b>Total cost of generating trading income</b>	<b>3b</b>	<b>(56,775)</b>	<b>-</b>	<b>(56,775)</b>
<b>Total cost of raising funds</b>		<b>(66,489)</b>	<b>(6,441)</b>	<b>(72,930)</b>
<b>Net resources available for charitable activities</b>	<b>2</b>	<b>30,995</b>	<b>27,365</b>	<b>58,360</b>

EXPENDITURE ON:	Note	Unrestricted £'000	Restricted & endowed £'000	2020 £'000
<b>Charitable activities</b>				
Campaigning and research		(5,191)	(8,863)	(14,054)
Information and advice		(4,940)	(2,788)	(7,728)
Health and care		(3,552)	(113)	(3,665)
Wellbeing		(8,010)	(4,080)	(12,090)
Support the network		(9,314)	(2,307)	(11,621)
International		(6,794)	(7,658)	(14,452)
<b>Total expenditure on charitable activities</b>	3c	<b>(37,801)</b>	<b>(25,809)</b>	<b>(63,610)</b>
<b>TOTAL EXPENDITURE</b>	3	<b>(104,290)</b>	<b>(32,250)</b>	<b>(136,540)</b>
Tax (payable)/credit		301	-	301
Net gains/(losses) on investments		(3,228)	(127)	(3,355)
<b>NET INCOME/(EXPENDITURE)</b>		<b>(9,733)</b>	<b>1,429</b>	<b>(8,304)</b>
<b>Other recognised gains and losses</b>				
Actuarial gains/(losses) on pension scheme	18	2,254	-	2,254
Gain/(loss) adjustment on sale of subsidiary	28a	(4)	-	(4)
Revaluation gains/(losses)	9	405	-	405
Goodwill written off upon acquiring control of subsidiary charity	28b	(61)	-	(61)
Transfers between funds		169	(169)	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(6,970)</b>	<b>1,260</b>	<b>(5,710)</b>
<b>Reconciliation of funds</b>				
	16			
Total funds brought forward		46,171	11,272	57,443
Net movement in funds		(6,970)	1,260	(5,710)
<b>Total funds carried forward</b>		<b>39,201</b>	<b>12,532</b>	<b>51,733</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 three 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. The Charity's trading subsidiaries will pay available profits to the Charity under the Gift Aid scheme, thereby eliminating or reducing 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

	2021 £'000	2020 £'000
Within one year	6,904	7,853
Within one to five years	10,289	13,581
After five years	177	244
	<b>17,370</b>	<b>21,678</b>

## 23. Contingent liabilities and capital commitments

There were no contingent liabilities and no capital commitments as at 31 March 2021 or at 31 March 2020.

## 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. Expense 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 2021 were as follows:

TO:	Age UK £'000	Age UK Trading CIC £'000	Age UK Enterprises Ltd £'000	HelpAge International UK £'000	Age UK Lotteries £'000	<b>Total £'000</b>
FROM:						
Age UK	-	711	-	-	-	<b>711</b>
Age UK Trading CIC	23,427	-	1,539	622	545	<b>26,133</b>
<b>TOTAL</b>	<b>23,427</b>	<b>711</b>	<b>1,539</b>	<b>622</b>	<b>545</b>	<b>26,844</b>

Grants awarded to subsidiary charities in the year are summarised here:

TO:	HelpAge International UK £'000	Age Cymru £'000	<b>Total £'000</b>
FROM:			
Age UK	5,523	725	<b>6,248</b>
<b>TOTAL</b>	<b>5,523</b>	<b>725</b>	<b>6,248</b>

A grant of £121,439 was awarded to Age UK Medway. John Norley is a trustee and CEO of Age UK Medway.

## 24. Related party transactions (continued)

Outstanding subsidiary balances at year end are as follows:

**2021**

**Amounts owed by:**

<b>Amounts owed to:</b>		Age UK Charity £'000	Age UK Enterprises Limited £'000	HelpAge International UK £'000	The Silver Line Helpline £'000	Age Cymru Enterprises Ltd £'000
Age UK Enterprises Ltd	<b>6,603</b>	6,603	-	-	-	-
Age UK Education and Research Lottery CIC	<b>2,870</b>	2,870	-	-	-	-
Age UK Local Programmes Lottery CIC	<b>2,353</b>	2,353	-	-	-	-
Age UK Information and Advice Lottery CIC	<b>1,856</b>	1,856	-	-	-	-
Age Cymru	<b>891</b>	858	-	-	-	33
Age UK Charity	<b>1,777</b>	-	1,000	363	414	-
Age UK Trading CIC	<b>443</b>	443	-	-	-	-
<b>Total</b>	<b>16,793</b>	<b>14,983</b>	<b>1,000</b>	<b>363</b>	<b>414</b>	<b>33</b>



## 25. 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.
- intune Group Limited: Arranges financial services of particular relevance to older people.
- 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.
- The Silver Line Helpline: A national charity providing help and advice for the elderly was acquired on 1 October 2019.

	Age UK Trading CIC £'000	Age UK Enterprises Limited £'000	HelpAge International UK £'000	Age Cymru £'000	Age UK Suffolk (a) £'000	Age UK Lotteries £'000	The Silver Line £'000
<b>Profit and loss account</b>							
Turnover	8,419	11,910	15,355	2,683	500	10,988	2,600
Gain on Business Disposal	-	-	-	-	-	-	-
Expenditure	(8,538)	(5,479)	(15,350)	(2,507)	(552)	(5,221)	(1,796)
<b>Profit/(loss) for the year</b>	<b>(119)</b>	<b>6,431</b>	<b>5</b>	<b>176</b>	<b>(52)</b>	<b>5,767</b>	<b>804</b>
Gift Aid to parent	(1,000)	-	-	-	-	(4,724)	-
<b>Result for the year transferred to reserves</b>	<b>(1,119)</b>	<b>6,431</b>	<b>5</b>	<b>176</b>	<b>(52)</b>	<b>1,043</b>	<b>804</b>
<b>Balance Sheet</b>							
Total fixed assets	-	93	-	29	-	-	25
Current assets	3,702	11,014	534	2,121	-	7,765	1,156
Total liabilities	(1,006)	(1,800)	(405)	(309)	-	(1,998)	(530)
<b>Net assets/(Liabilities)</b>	<b>2,696</b>	<b>9,307</b>	<b>129</b>	<b>1,841</b>	<b>-</b>	<b>5,767</b>	<b>651</b>

Note a) Age UK Suffolk separated from the group in July 2020 and subsequently ceased activities. The losses incurred in the period to the date of separation are included here.

## 26. Grants Payable

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

2021	Campaign and research £'000	Information and advice £'000	Health and care £'000	Wellbeing £'000	Support the network £'000	International £'000	Total £'000	Awards
<b>Age UK National Partners</b>								
Age NI	-	25	-	9	789	-	823	7
Age Scotland	-	84	-	40	1,754	-	1,878	17
	-	<b>109</b>	-	<b>49</b>	<b>2,543</b>	-	<b>2,701</b>	<b>24</b>
<b>Age UK Brand Partners</b>								
Age Cymru Dyfed	1	1	1	81	65	-	149	16
Age Cymru Gwent	2	23	2	44	78	-	149	19
Age UK Isle of Wight	-	-	-	16	100	-	116	6
Age UK Berkshire	-	-	-	-	385	-	385	5
Age UK Birmingham	-	-	-	-	210	-	210	6
Age UK Bournemouth	-	-	-	-	110	-	110	7
Age UK Bristol	-	21	-	16	101	-	138	7
Age UK Calderdale & Kirklees	-	-	-	-	129	-	129	6
Age UK Cambridgeshire	-	-	-	-	134	-	134	5
Age UK Camden	-	-	-	7	110	-	117	9
Age UK Cheshire	-	21	-	-	126	-	147	8
Age UK Cornwall	-	-	-	-	119	-	119	5
Age UK Derby	-	-	-	-	122	-	122	5
Age UK Devon	-	-	-	7	144	-	151	8
Age UK Dorchester	-	-	-	16	96	-	112	7
Age UK Durham County	-	-	-	-	126	-	126	7
Age UK East Sussex	-	-	-	-	282	-	282	6
Age UK Essex	-	-	-	-	270	-	270	7
Age UK Gateshead	-	-	-	10	95	-	105	8
Age UK Gloucestershire	-	-	-	4	98	-	102	6
Age UK Hertfordshire	-	21	-	-	120	-	141	6
Age UK Herfordshire & Worcestershire	-	-	-	21	220	-	241	12
Age UK Hillingdon	-	-	-	-	105	-	105	5
Age UK Hull	-	-	-	-	453	-	453	6
Age UK Hythe	-	-	-	-	133	-	133	4
Age UK Lancashire	-	-	-	9	296	-	305	7
Age UK Leeds	-	21	-	18	139	-	178	9
Age UK Leicestershire	-	21	-	18	203	-	242	11

Age UK Lincoln	-	-	-	-	153	-	153	7
Age UK Lindsey	-	21	-	-	94	-	115	6
Age UK London	-	-	-	-	256	-	256	6
Age UK Medway	-	-	-	-	121	-	121	5
Age UK Mersey	-	-	-	-	143	-	143	6
Age UK Norfolk	-	-	-	-	191	-	191	7
Age UK Northamptonshire	-	-	-	-	168	-	168	7
Age UK Nottingham	-	-	-	10	321	-	331	12
Age UK Portsmouth	-	-	-	16	115	-	131	7
Age UK Redbridge	-	-	-	-	131	-	131	4
Age UK Sheffield	-	-	-	7	167	-	174	12
Age UK Shropshire	-	-	-	-	102	-	102	5
Age UK Somerset	-	-	-	-	156	-	156	7
Age UK Staffordshire	-	-	-	-	159	-	159	6
Age UK Surrey	-	21	-	-	144	-	165	8
Age UK Teeside	-	-	-	-	112	-	112	4
Age UK Walsfield	-	-	-	-	107	-	107	5
Age UK Warwickshire	-	-	-	7	271	-	278	7
Age UK West Sussex	-	-	-	-	184	-	184	8
Age UK Wiltshire	-	7	-	8	146	-	161	8
Age UK Wirral	-	-	-	7	109	-	116	7
	<b>3</b>	<b>178</b>	<b>3</b>	<b>322</b>	<b>7,919</b>	<b>-</b>	<b>8,425</b>	<b>357</b>
<b>UK institutions</b>								
University of Edinburgh	207	-	-	-	-	-	207	1
<b>International</b>								
HelpAge International	-	-	-	-	-	13,208	13,208	51
	<b>210</b>	<b>287</b>	<b>3</b>	<b>371</b>	<b>10,462</b>	<b>13,208</b>	<b>24,541</b>	<b>433</b>
<b>Other grants paid</b>								
< £100k per recipient per year	38	106	87	485	5,453	-	6,169	
<b>Total Grants payable</b>	<b>248</b>	<b>393</b>	<b>90</b>	<b>856</b>	<b>15,915</b>	<b>13,208</b>	<b>30,710</b>	

## 26. Grants Payable (continued)

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

2020	Campaign and research £'000	Information and advice £'000	Health and care £'000	Wellbeing £'000	Support the network £'000	International £'000	Total £'000	Awards
<b>Age UK National Partners</b>								
Age Cymru	-	-	-	-	-	-	-	3
Age NI	-	-	-	-	104	-	104	4
Age Scotland	-	5	-	55	361	3	424	14
	-	5	-	55	465	3	528	21
<b>Age UK Brand Partners</b>								
Age UK Bristol	-	21	-	-	119	-	140	6
Age UK Darlington	-	21	-	44	50	-	115	6
Age UK Gateshead	-	7	-	125	26	-	158	7
Age UK Gloucestershire	-	-	-	115	20	-	135	8
Age UK Hertfordshire	-	21	-	145	72	-	238	6
Age UK Kensington	-	-	-	1	134	-	135	5
Age UK Lancashire	-	-	-	119	77	-	196	7
Age UK Leicestershire	-	31	-	152	56	-	239	13
Age UK London	-	-	-	1	151	-	152	4
Age UK Norfolk	-	-	-	-	115	-	115	10
Age UK Nottingham	-	7	-	90	125	-	222	10
Age UK Portsmouth	-	-	-	100	50	-	150	5
Age UK South Lakeland	-	35	-	53	15	-	103	7
Age UK West Cumbria	-	-	-	101	22	-	123	4
Age UK Wirral	-	-	-	82	33	-	115	5
	-	143	-	1,128	1,065	-	2,336	103
<b>UK institutions</b>								
Clarion Housing Group	-	-	-	260	-	-	260	1
Scottish Council for Voluntary Organisations	-	-	-	172	-	-	172	1
	-	-	-	432	-	-	432	2
<b>International</b>								
HelpAge International	-	-	-	-	-	12,260	12,260	29
	-	-	-	-	-	12,260	12,260	29
	-	148	-	1,615	1,530	12,263	15,556	155
<b>Other grants paid</b>								
< £100k per recipient per year	33	473	74	718	3,006	1	4,305	
<b>Total Grants payable</b>	<b>33</b>	<b>621</b>	<b>74</b>	<b>2,333</b>	<b>4,536</b>	<b>12,264</b>	<b>19,861</b>	

## 27. Other recognised gains and losses

### (a) Loss on disposal of subsidiary charity

The Group's subsidiary Age UK Suffolk separated from the Group in July 2021. No consideration was received and the loss on disposal as reported in the financial statements for the year ended March 2021 was £123,204 (Charity) and £147,489 (Group). The consolidated statement of financial activities for the year includes losses of £52,264 incurred to the point of disposal.

In the prior period the reported £3,968 loss reflected a final adjustment to the gain on disposal of Aidcall Ltd in the year ended March 2017. The total gain resulting from that disposal was £14,969,895.

### (b) Goodwill written off upon acquiring control of subsidiary charity

The company took control of the registered charity The Silver Line Helpline on 1 October 2019. The goodwill on consolidation (£61,000) was recognised and written off in the year ended March 2020, the year of acquisition.

## 28. Government grants

The following government grants were received in the period.

Grant provided by	Description	2021 £'000	2020 £'000
Local Councils	Retail hospitality and leisure grant fund	1,935	-
Ministry of Defence	To develop support for older veterans	-	1,717
Department of Health and Social Care	Health and Wellbeing Alliance grant - this is a restricted fund	45	-
Her Majesty's Prisons and Probation Service (one award)	To improve Health and Wellbeing	70	-
Department for International Development	Overseas relief efforts	2,481	2,046
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	-	241
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	-	222
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	279	353
Welsh Government Department of Health and Social Services	HOPE to develop and deliver peer advocacy services across Wales	543	-
Welsh Government Department of Health and Social Services	Older Carers - Developing person-centred service models to identify, and better meet the needs of older carers and carers of people with dementia	148	-
Welsh Government	Friend in Need - Supporting informal and formal volunteers to provide friendship and support	398	-
Welsh Government Dementia Action Plan	Delivery of Wale-wide dementia advocacy programme	210	-
United Nations	Overseas relief efforts	2,232	1,752
French Government	Overseas relief efforts	232	232
European Commission - EU Horizon 2020	Overseas relief efforts	229	-
Other grants with individual values under £100k		147	650
		<b>8,949</b>	<b>7,213</b>

## 29. Funder and donor disclosure

The organisations listed below have requested the following disclosures are made in the group statutory accounts regarding donations or grants they have made in the period:

**Armed Forces Covenant Fund Trust:** The £201,000 grant is a restricted fund and is comprised of two awards, one partially re-purposed award.

**CAST and the National Lottery Community Fund COVID-19 Digital Response:** The £13,000 Catalyst and the National Lottery Community Fund COVID-19 Response is restricted and comprised of two awards.

**National Lottery Community Fund:** The £213,000 Coronavirus Community Support Fund is restricted and is comprised of one award, one partially re-purposed award.

**National Emergencies Trust:** Age UK has been supported by the National Emergencies Trust with a grant of £1,491,433. This grant is restricted funding.



# 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.

Accenture	Edith Murphy Foundation
Ageas	EPOS
Amazon UK	Estee Lauder Charitable Fund
Amazon Web Services	European Commission (EC)
Apple	European Commission Humanitarian Aid (ECHO)
Arch Europe Insurance Services Ltd	Evercore
Arm Limited	Eveson Charitable Trust
Armed Forces Covenant Fund Trust	Exilarch's Foundation
Arthur James Paterson Charitable Trust	Fidelity UK Foundation
Austrian Embassy	FIECON
Avro Energy	Flight Centre
Balyasny Asset Management	Foreign, Commonwealth & Development Office (FCDO) – UK Aid
Barclays	Foster Wood Foundation
Bloomberg	Garfield Weston Foundation
Bryan Guinness Charitable Trust Limited	GIC London
Cecil Pilkington Charitable Trust	GlaxoSmithKline plc
Centre for Applied Science and Technology	Graphite Capital
Chicago Trading Co	Her Majesty's Prisons and Probation Service
Comic Relief	HSBC
Cosaraf Charitable Foundation	innocent
CVC Capital Partners	The Mercers Charitable Foundation
DAC Beachcroft	The Paget Charitable Trust
Department for Digital, Culture, Media and Sport	The Rhododendron Trust
Department of Health and Social Care	The Schroder Foundation
Direct Line	The Sir Jules Thorn Charitable Trust
Disasters Emergency Committee (DEC)	The SMB Trust
Dixons Carphone	The Souter Charitable Trust
e.on	



The Thomas Sivewright Catto charitable settlement  
 The Tula Trust Limited  
 The Wolfson Foundation  
 The Carmela and Ronnie Pignatelli Foundation  
 The Evan Cornish Foundation  
 The Henhurst Charitable Trust  
 The Welland Charitable Trust  
 Twilio  
 Uber  
 Insight  
 International Labour Office (ILO)  
 J A Clark Charitable Trust  
 Jersey Overseas Aid (JOA)  
 Kirby Laing Foundation  
 Lavenham Trust  
 Legal & General  
 M&G Corporate Services Limited  
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 Miss S M G Ross Trust  
 Mondelez International  
 Murdoch Forrest Charitable Trust  
 National Lottery Community Fund  
 NHS England  
 Nike  
 Nutricia  
 Ocado  
 Pasta Evangelists  
 Peacock Charitable Trust  
 Permira  
 Phoenix Group  
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Prudential plc  
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 Refinitiv Charities  
 Sanjay Panchal  
 Santander UK  
 Schroders  
 Selfridges Group Foundation  
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 Shell Energy  
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 Sport England  
 START Fund  
 Stewart Investors  
 Style Cheat  
 Supported by the National Emergencies Trust  
 The Austin Bailey Foundation  
 The D G Charitable Settlement  
 The Football Association  
 The Grace Trust  
 The Ingram Trust  
 The Julia and Hans Rausing Trust  
 United Nations High Commissioner for Refugees  
 (UNHCR)  
 United Nations Office for Project Services (UNOPS)  
 United Nations Office for the Coordination of  
 Humanitarian Affairs (UNOCHA)  
 United Nations Population Fund (UNFPA)  
 Vertex Foundation  
 Virgin Media  
 Visa Foundation  
 Vodafone  
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 World's Big Sleep Out Trust  
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Advice Line, our website, and by  
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Lines are open 8am-7pm,  
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London WC1H 9NA

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