

Consolidated Financial Statements

For the Year Ended
31 March 2012



 **North Tyneside
ageUK**
Making More of Life

Company Number: 01763579
(England & Wales)
A Company Limited by Guarantee

Charity Number: 1049527

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AGE UK NORTH TYNESIDE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

Company Registration Number	01763579 Registered in England and Wales
Charity Registration Number	1049527
Registered Office:	The Bradbury Centre 13 Saville Street West North Shields Tyne & Wear NE29 6QP
Board of Trustees	Professor M Dunning (Chair) Mrs J G Fife (Vice Chair) Mr A J Dunn (Company Secretary) Mr R D Morton (Treasurer) Mr G Dennett Mr T R Flood Mrs E Hannon (resigned 1 6 11) Mr A S Hynd Mr D J Kean MBE Professor J Leopold Mrs G Stringer Mrs V A White
Senior Management Team	Ms A Caldwell (Chief Executive) Ms D McNally (Deputy Chief Executive) Mrs A Dawson (Executive Assistant) Mr A Gerono (Head of Customer Services until 22 7 11) Mrs S A Gray (Head of Health & Wellbeing) Miss E Inglis (Head of Corporate Support) Mrs R Jones (Head of Community Services until 31 5 11)
Bankers	Barclays Bank plc 3 Northumberland Square North Shields Tyne & Wear NE30 1AX
Auditors	UNW LLP Chartered Accountants & Statutory Auditors Citygate St James's Boulevard Newcastle upon Tyne NE1 4JE
Investment Managers	Foster Denovo 15 Brenkley Way Bleazard Business Park Wideopen Newcastle upon Tyne NE13 6DS
Solicitors	Muckles LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF

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AGE UK NORTH TYNESIDE

BOARD OF TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The trustees present their report and audited accounts for the year ended 31 March 2012.

This year was the first year of our new three year strategy – 'Making More of Life' (2011 - 2014) with its refreshed Vision and Mission, reflecting our new Brand Name, Logo and formal Partnership Agreement with Age UK

Our **Vision** is for "A society in which older people flourish"

Our **Mission** is "to improve the quality of life older people"

Our four **Aims** are as follows

Aim 1 Working in Local Communities

We will involve and engage older people in developing a diverse range of activities which promotes positive health and wellbeing, tackles disadvantage and creates safe, sustainable local communities

Aim 2 Delivering Quality Services

We will design and deliver quality services that give choice, promote independence and enhance quality of life

Aim 3 Campaigning and Influencing

We will campaign and lobby for change on the issues that matter ensuring that older people's voices are heard directly

Aim 4 Raising our Profile

We will ensure that our brand name is trusted, representing our values and beliefs, and engages others to work with us to make more of life

Each aim is reported below to demonstrate clearly how our work benefits the public in line with our charitable objects

ACHIEVEMENTS & PERFORMANCE

Aim 1 Working in Local Communities

The Community Services Team (Manager and four part-time Locality Co-ordinators who each work across one of the four areas of the borough) are the visible 'face' of Age UK North Tyneside in local communities promoting strong and trusted relationships with local older people's groups and residents. Using a community development approach they encourage and support older people to have a say about those issues which affect their lives, to be engaged in local decision making, health, wellbeing activities and to participate in lifelong learning opportunities

The team directly supported 45 of the organisation's 250 registered volunteers to run over 36 regular activities across the borough

In addition to the above, the team continued to

- Deliver the final (5th) year of the Age UK (BIG Lottery funded) **Fit as a Fiddle** programme of health and wellbeing activities. This involved a mixed programme of ongoing and 6 weekly taster sessions, and health events. Over **50 activities** were offered and benefited approximately **800 older people** during the year. This programme is to continue as part of a regional Age UK Social Prescribing Pilot thanks to a further 12 month grant from the BIG Lottery
- Act as secretariat and participate in the planning and activities for **Age Takes Centre Stage**, for the North Tyneside October annual festival, which celebrates later life. **4000+ participants** engaged in over **320+ events**. We again jointly (with DFDS Seaways) sponsored the Age Takes Centre Stage Awards Ceremony which recognises the special achievements of local individuals and small older people's voluntary groups

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- Develop its work with men through the **Men of the Tyne Project** a partnership project with The Customs House, South Shields, (a photography and creative writing project) Local writer Tom Kelly and filmmaker Andy Hagan captured the stories of the men's memories of working on or near The River Tyne and the changes they have witnessed Their stories were written into monologues which were performed on 13 – 15 October aboard The Fortuna Motor Launch by actor Ray Spencer, alongside new folk songs written especially for the project about the Tyne and the men The documentary film of the project was available for the public to buy and was a great success The highlight of the project was listening to these amazing stories being captured for future audiences and the performances of the men's stories and watching their emotional reaction to the film and monologues This project specifically targeted older men who would not usually engage with Age UK
- The **Life Choices (Befriending/Mentoring) Project** (1 Senior Health and Wellbeing Manager, 7 staff and 47 trained volunteers) supported **148 individuals** who were lonely, socially isolated, bereaved, have mental health problems or suffering from depression (through a block contract with North Tyneside Council), to access community activities through one to one support, befriending, driving and completing 22 small home DIY tasks We expanded the service during the year to specifically target support to people with Long Term Conditions, working directly with GP practices in North Tyneside with funding from the Department of Health, Health and Social Care Volunteering Fund 6 volunteers were specifically trained to work with this group of people Maintaining independence for people was maintained through a staff and volunteer **Befriending/Mentoring Service** supporting adults living independently in the community

Impact quotes

'This is my only opportunity to see and mix with the outside world I feel very safe going out I have lost a lot of confidence since falling but with the staff's help I should eventually be able to go out on my own'
'Volunteering makes me feel that I am doing something worth getting out of bed for'

In addition, this team managed the **Safe and Secure Project**, in partnership with Northumbria Police and Tyne and Wear Fire Service It helps older people to feel safer and more secure at home by fitting simple security devices

A team of trained staff and volunteers conducted

- 130 home assessments
- 91 customers had security devices fitted
- 23 referrals to the Fire Service
- 42 carbon monoxide detectors fitted
- 90 SmartWater security installations

The **Strength and Balance Classes**, (1 Qualified Trainer, 1 part time admin and 4 volunteer drivers), part of the Falls Prevention Integrated Care Pathway with Newcastle NHS Foundation Trust and NorPrime, a private GP Group, has continued to be very successful The 10 week gentle, progressive exercise programme improves muscle strength, endurance, posture (critical to good balance) and joint stability From customer feedback and evaluation it has had the additional impact of reducing participant's social isolation and increasing their confidence

A total of

- 63 classes were delivered, primarily in the Whitley Bay, North Shields and Wallsend areas of the borough,
- 610 participants

Impact quotes *'Very enjoyable, good ideas for helping creaking joints and easing actions sometimes I will try to continue some of these exercises'*

The **IT Outreach team** (1 part time worker and 9 volunteers)

- Visited 31 Centres in the period (a mix of Community Centres, Church Halls and Sheltered Accommodation)
- Delivered a total of 37 courses (Introduction to IT x 31, Digital Photography x 3, Mastering a PC x 3)
- Engaged 166 people in the service (including 5 individuals who were housebound to varying degrees)

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The IT for All Project (1 full time Worker and 6 volunteers) part funded with a £20,000 grant from North Tyneside Council Adult Learning Alliance service

- Supported 362 older students to complete IT courses
- Ran the most popular and successful Walk Through Windows course and introduced new Managing Your Home Computer and Internet & E-mail courses
- Delivered 6 free Walk Through Windows courses to 29 unemployed 50+ residents of North Tyneside, who registered with our Back on Board Employment Support Service

Back on Board Employment Support Service (1 Manager and 3 Volunteers)

- Provided **141 new clients** with information, advice and guidance around their unemployment situation and gave an additional **117 sessions of one-to-one support** to those who needed it
- Over delivered (**217**) of the sub-contracted 213 one-to-one sessions of information, advice and guidance from CfBT, as a Next Step Provider
- Delivered 2 Mid Life Moves courses (15 attendees), 1 Making Changes Workshop (3 attendees) and 6 Walk Through Windows to get Back on Board (29 finishers)
- Extended the Job Club (formerly BoB4Jobs/Work Club) As a result of increased demand, the hours were extended to 10 00am to 2 00pm every Monday, from April 2011. After consultation with staff, volunteers and clients, the Job Club opened every Monday, Wednesday & Friday, allowing for greater client flexibility to attend. The Club delivered 70 x 4 hour sessions, 653 regular clients used the service and 75 new clients were attracted to use the service

Impacts:

- Tyne & Wear City Region Awarded Back on Board the Good Practice Brand Mark, with an emphasis on its Case Management
- Achieved re-accreditation of the Matrix standard, (a quality mark for information, advice and guidance) for a further 3 years
- European Social Fund (ESF) funding ceased in December 2011 with a final report produced highlighting the impact of Back on Board services. The report was rated as high standard for its content and future suggestions. One client took part in filming for the ESF Works website. He talked about the positive impact and benefit the project had brought him.
- The Job Club has been hailed as an example of good practice which attracted visits from Newcastle West Job Centre Plus team, Christopher Brooks, Policy Adviser – Employment and Skills, Age UK who stated that he, *'wasn't aware of any other similar projects operating nationally'* and representatives from Department of Work & Pensions and Job Centre Plus

Aim 2 Delivering Quality Services

We provide a range of services to promote and support independent living. We work to achieve the highest quality standards across these services through our staff and volunteer training and development programme and Quality Assurance System. In addition to the specific services mentioned above

Our **Care and Support Services** provide a range of individually tailored care and support packages to people living in their own homes and in **3 Extra Care Housing Schemes**. These are funded through three year block contracts with North Tyneside Council, spot contracts with NHS North of Tyne and individuals buying privately.

Our **Short Breaks Service** provides carers with a much needed break from their caring role. This service is tailored to needs of the carer and the person they care for on a framework contract with North Tyneside Council.

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Our **Wellbeing Centres** offer a range of personalised care, support and activities to individuals to reduce isolation and provide carer relief. A core team of 7 staff and 2 apprentices are supported by a committed group of 12 volunteers who bring a mixed range of skills and experience to the activities, theme days, trips and outings. Activities include aromatherapy, cookery classes, theatre visits, reminiscence sessions and fun days. Following a successful tender a further contract was awarded in December 2011 to provide a **Community Resource Service at Rowan Croft Extra Care Housing Scheme** in Killingworth and a **Specialist Dementia Service at Linskill Park Extra Care Housing Scheme** in North Shields. This contract also had a **Support Brokerage** element and the development of a **Carers Respite Booking Service**.

This work delivered

- 67,294 hours of contracted care and support to 533 individuals by 89 Personal Support Assistants
- 24,975 hours of care and support were bought by people using direct payments and to people buying privately
- 5,240 hours of End of Life and NHS Continuing Care were provided to people in their own homes
- 340 hours of short breaks were provided to carers through the short break service
- 88 older people were supported to continue living independently in Extra Care Schemes
- 1,048 hours of care and support delivered in extra care housing schemes
- Provision of a social activity programme of 10 regular activity sessions per week and 75 one-off events
- 42,462 hours of support and care were provided and 5,808 hours privately at our wellbeing centres
- 115 people all assessed with a critical or substantial need have attended wellbeing centres between one and five times each per week
- We saw an increase in those attending the Wellbeing Centres with a diagnosis of dementia or memory loss
- 51% of those accessing the Wellbeing Centres are there to give a much needed break to their carers
- A weekend dementia service at Cedar Grove Wellbeing Centre commenced on 13 August 2011

The impact of Care and Support Services

Our care and support work has helped people to continue to live independently in their own homes through giving care and support to maintain quality of life, increase choice and control, reduce social isolation, improve or maintain health and mental wellbeing through interaction with others and giving vital breaks to carers to support them in their caring role. This can be further evidenced through positive feedback received from customers and carers as our customer satisfaction surveys have rated us excellent on average at 85%. A quote from a family member

"I need to let you know that the impact you have on people's lives, when a relative is dying, is huge. I will never forget Age UK for their compassion, caring and professionalism and of course fun. Staff must deal with a huge amount of people, your organisation made us feel that, no matter what happened you were there to help us."

"The Home Care Team is a very wonderful group who helped us when our family was literally falling apart. We would never have got through it without you. Your lovely staff became almost like an extended family to us and we will NEVER forget how you helped us. When we were at our lowest, you were always there for us, so kind and caring. We lost our wonderful Mum and Grandmother and I just wanted you to know that what you do has a massive impact on people. You are just amazing and I feel privileged to have met you all."

Information and Advice

The Information Centre provides comprehensive, independent, confidential information, advice and advocacy service, specialising in welfare benefits, housing, health and social care, money and pensions, consumer and personal family concerns.

Networking and partnership is essential to providing joined up customer services in North Tyneside. A key success this year has been the Financial Inclusion multi-agency group, in which we took a leading role. This group has cooperated on several initiatives to reach out to people in need and to improve service delivery. This group delivered on the **Benefit Take Up Campaign** to the most vulnerable at risk customers, identifying 30 older people aged 90 and over who had not claimed the benefits they were entitled to.

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The outcome of this work

- The service addressed a total of 7,885 customer enquiries (this is an increase of 35% from 2010/11)
- Enquiries were seen to be more complex than previous years, requiring a high level of welfare rights expertise
- 50% of customers had financial issues which need to be explained, explored and resolved
- A total benefit gain of £963,390 was achieved for older people across the year
- 78 home visits were undertaken delivering information and advice
- Consistent with last year, 50% of enquiries were about welfare benefits/finance
- 14% of our queries relate to housing problems
- Visited 20 community venues and delivered specialist and general information sessions to over 300 older people and their carers

The impact of information and advice

Providing appropriate and timely advice and information can make a considerable difference to older people's quality of life. An increase in income for older people results in increased independence as they are able to spend the additional income on basic requirements for wellbeing: food, heat and social contact. Money worries often lead to high levels of stress and mental health can be affected. By providing a confidential, high quality advice service we can react to resolve customers' 'money issues' and remove unnecessary anxiety.

This year we have supported 12 older people who have been affected by abuse ranging from domestic violence to financial abuse by family members.

Our Information Centre events and annual campaigns provide us with an opportunity to raise the issue of benefit entitlement for those coming into the centre for other enquiries such as consumer or housing issues. This is particularly relevant for the 80+ age group who may not have considered applying for benefits in the past and require a great deal of support to consider an application. Over a quarter of our customers are in this age group. They often have a complex mix of physical and mental health issues, often caring or being cared for by their partner or family carer.

Customer feedback was exceptionally good. 200 customer satisfaction questionnaires were sent out with 102 being returned (a 51% return rate). There was a 97% satisfaction rate and many favourable comments, increased self-confidence and feeling more independent, being listened to and understood, happier and more content.

Impact Quotes *"I would be lost without this wonderful service", "Needs were met with honesty, courtesy, understanding and good humour – would have struggled without the service", "All very friendly and helpful"*

Aim 3: Campaigning and Influencing

Our **community engagement** work aims to encourage older people to have a stronger voice in the things that matter to them on a national and local level, to influence decision making policy and help to shape Age UK services.

Our **Community Services Team** is our direct route to engaging with local communities and the Locality Coordinators have made excellent links with Older People's Groups, community organisations and engagement teams in the **Primary Care Trust, Local Authority and North Tyneside LINK**.

OPEN (our Older Peoples Engagement Network) has been strengthened this year, numbers of OPEN members at 28 March 2012 was 974 an increase of 277 over the year. Members have been actively involved in a number of local and national Age UK campaigns, as well as being supported and informed of opportunities to have their say at public sector engagement/consultation events. Through the Age UK **'Change One Thing' campaign - Improving Local Neighbourhood**, OPEN members identified local issues in their respective neighbourhoods they wanted to influence for change and did so with some success, one of which was the state of the 'pavements'.

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This linked to people falling or tripping over and communities felt strongly that roads were the priority and not pavements

Locality Coordinators have worked closely with North Tyneside Council engagement team to promote the area forum meetings and to gain local attendance at the meeting. The focus for the winter area forums was to be around roads and pavements. Locality Co-ordinators were able to link this to the National Falls Prevention Campaign and held events in each locality to collect locations of pavement issues to present to the area forums in advance of the meetings.

Pavement Cafés were then held across the borough to generate proposals for improvements for the Area Forum Discussions. 45 people attended to identify pavements in need of repair in their area. OPEN members then attended the area forums to take part in the roads and pavements discussion. The campaign was borough-wide and was successful. Ongoing issues are around transport links and the withdrawal of some bus services.

To support Age UK national **Care in Crisis** and **Falls Prevention Campaigns** the Chair and Chief Executive met regularly with our two local MP's and older people were encouraged to write to them and sign the Care in Crisis petition. A small group were also supported to meet up with other campaigners from across the country in March to march on parliament to have their voices heard directly.

We held our first Annual Conference on the theme of addressing isolation and loneliness with keynote speakers from Age UK, Academia and national organisations. This attracted **81 attendees** from across health and social care sector, older people and other voluntary organisations.

The impact of community engagement and Campaigns

Speaking Up For Your Age training sessions have been successful in developing understanding and confidence in how to voice opinions and speaking up for issues of concern. We are in the process of collecting evidence from participants of the **How to Complain** course to see if the information and advice given has been used and to what effect. We will be looking to develop these further.

Aim 4: Raising our profile

We see this aim as key to establishing our new name, brand and logo over the next three years as a new Brand partner of Age UK.

In addition to addressing the pressing need to change our working practices and culture to become a more customer focused *business*, marketing our care and support services to older people with personal budgets and offer more choice as a result of the emerging personalisation agenda was crucial.

With our three year strategy to '**make more of life**' our marketing strategy aimed for the brand to represent

- **Strong customer service** – *customer first*
- **Quality** – *standards of service*
- **Convenience** – *easy to get, handy to have*
- **Design** – *recognise at first sight*
- **Honest** – *we do what we say*

We introduced a '**Customer Charter**' at both an external level and an internal level.

Our **external customer charter** held a set of 14 promises based upon what our customers have told us they want and what our values and beliefs represent. Annually we will review this standard to measure ourselves against the promises we made to our customers, and we will publish the results to reflect the transparency of our customer relations.

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Our **internal customer charter** held a **Standards of Appearance Policy** which represents the brand values, clearly indicating that once staff are 'behind' the brand they must comply with the values that the brand represents and ensure that we have that customer centred approach. The policy presented a dress-code which has been introduced to the care staff initially but 2012/13 will see a dress-code implemented for all staff. This policy helped to change the way staff looked at their environment and we dropped the term 'service user' and adopted 'customer', a true person centred service. Internal marketing was supported using display boards promoting our vision, mission and values as a reminder for staff re subliminal messaging.

We introduced an organisational **Performance Management Framework**, which includes a balanced scorecard (BSC) to measure business and staff performance which was supported by the redevelopment of the appraisal system whereby staff objectives are assigned linking directly with targets held within the BSC, so staff at both a team and individual level can understand their contribution to business success, thereby promoting personal success and enhanced job satisfaction.

Marketing materials were designed and made available to present that professional image, with a consistent use of the brand and logo across all platforms and materials. This included:

- Production of a 'Menu of Services' – 500 glossy brochures plus 2,000 Bi-fold leaflets
- Annual report – 300 copies
- Annual calendar – 200
- Professional folders – 500
- Four Promotional pop-up banners
- Mission and vision boards placed around the buildings for internal publicity
- Promotional goods i.e. post-it notes/pens/goody bags
- Signage across sites reviewed and revamped

A complete investment into activity utilising all **Social Media platforms** Twitter, Facebook, blogs, forums, along with website development and links into local giving opportunities both at an online level and texting level for donations.

- 353 followers on Twitter
- 68 likes on Facebook

Great publicity with regard to **TV, radio and press**, this is a great platform for raising the profile and at no cost, all of which we would never have had the marketing budget to provide the coverage or return on investment that this medium can give us.

- 79 press adverts
- 54 press releases
- 5 TV appearances
- 19 radio broadcasts – with a live 2 hour radio show by BBC Radio Newcastle delivered from the Bradbury Centre in March 2012

We delivered **21 events** throughout the year which included key fundraising activity.

Impact Our profile raising efforts are beginning to work. The marketing and PR work was very successful in generating new enquiries and last year we dealt with the largest number of enquiries Age UK North Tyneside has seen since starting operation in 1972. The **customer services team took 10,000 enquiries** either by telephone or direct visits to the centre, which translates to an average of 40 enquiries per day. A new Customer Relations Management (CRM) system is to be installed in 2012/13 will help us to track these enquiries and manage our customer relations across all project areas much more effectively in future.

ORGANISATION FINANCIAL REVIEW

Overview

Age UK North Tyneside had a reasonable year accruing a deficit before gains/losses on the pension scheme and investments of £56,506 compared to a surplus of £132,457 in 2011. A deficit of £217,550 was projected for the year, additional income secured during the year resulted in a much better result than originally projected.

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The organisation continued to invest in its charitable projects and services by using its designated Strategic Development Reserve Fund to gap fund those areas which had little or no funding to ensure it met its strategic objectives for 2011-2012

Incoming resources

Total incoming resources for 2011-2012 were £3.8 million with no real change on the previous year. Our income generation target for the year was £516,293. We ended the year achieving £433,577 of this target which was a good effort. The main shortfall was in generating income from "selling" (charging for) our services.

Assets

The charity's assets are being held to enable it to carry out its objectives. The movements in fixed assets during the year are set out in note 15 to the accounts.

Investments

The Memorandum of Association states that in furtherance of the objects the charity shall have the power to "invest monies not immediately required for its purpose in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions if any and such consents if any as may for the time being be imposed or required by law".

After a full review of our Investment Policy and Strategy we went out to tender for an Investment Manager and appointed Foster Denovo in October 2011. Foster Denovo have delegated responsibility to manage a portfolio of £835,000 in a wide range of fixed interest stocks and equities. The market value of the portfolio at 31 March 2012 was £792,605 (2011: £829,935) which means that we recorded an unrealised loss on investment of £37,330 for the year (See note 16). Due to uncertainties around our income streams and contracts a high cash balance is held as part of the portfolio.

Pension

Age UK North Tyneside has complied with FRS 17 and disclosed its proportion of the Final Salary Scheme liability. The Age UK Retirement Benefit Scheme has provided participating employers with their breakdown of the assets and liabilities (See note 12 and 24). The defined benefit scheme is closed to new entrants and the actuarial valuation of the scheme deficit at 31 March 2012 is £249,000 with a loss for the year of £85,000. In order to address the deficit the charity is required to make additional payments of £4,036 per month over 123 months.

Trading subsidiary and associated companies

Age UK North Tyneside Trading Limited consolidated its financial position further in 2011-2012. Turnover increased year on year by 18% from £66,476 to £75,936. Age UK North Tyneside Trading Limited continues to operate in line with the Financial Services Authority regulations. However, from the 1 April 2012 following a collaboration between our sister organisations, Age UK Newcastle, and Age UK Gateshead, the activities of the Company were transferred into a new tripartite owned Trading subsidiary, Age UK Northern Enterprises Limited. Age UK North Tyneside Trading Limited will continue to exist for new business initiatives under development. It holds a balance of £4,766 in its funds.

As part of the Charity's business development strategy it has set up a wholly owned Trading subsidiary, Life Choices Plus Limited. This will operate the charity's domiciliary care contracts. Associated assets were transferred into the new company after 31 March 2012 and trade commenced in the new entity on 1 April 2012.

GOVERNANCE AND INTERNAL CONTROL

The body responsible for the governance of the charity is the Board of Trustees. The Board meets at least four times a year. Trustees are elected for a three year term and it has up to 15 members including three co-opted and the Honorary Officers. The Trustees who served during the year are listed below.

Prof. Mary Dunning	(Chair)
Jean Fife	(Vice Chair)
Bob Morton	(Treasurer)
Tony Dunn	(Company Secretary)

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Gordon Dennett
Tim Flood
Angus Hynd
Val White
Liz Hannan (resigned 1 6 11)
John Leopold
John Kean
Glenis Stringer

None of the directors hold shares in either of the subsidiary companies. The Board of Trustees may appoint persons to fill any casual vacancies that occur during the year amongst elected members of the board, such appointments to terminate at the end of the term for which the original member was elected.

The Board of Trustees receive reports from three formally constituted sub committees the Finance & Resources Committee, the Audit & Risk Committee, and the Executive Committee. Each committee has specific terms of reference and functions delegated by the board, and has a chair appointed by the board. Board of Trustee meetings are attended by the Chief Executive and Senior Management Team. The Chair and Vice Chair may attend all sub Committee meetings except the Audit & Risk Committee.

The Finance & Resources Committee meets six times a year with specific responsibilities for the management of the assets and liabilities of the charity, the agreement and monitoring of the annual budget, management of the investment portfolio, ensuring the charity meets high and consistent levels of quality and approving levels of delegation to executive management. The Finance & Resources Committee meetings are attended by the Chief Executive and Deputy Chief Executive/Director of Finance.

The Audit & Risk Committee meets up to four times a year and has specific responsibilities for proactively reviewing the organisation's internal financial controls and risk management processes. The Audit & Risk Committee is attended by the Deputy Chief Executive/Director of Finance.

The Executive Committee meets on an as and when basis and oversees the strategic and operational development of the organisation providing a mechanism for urgent decision making.

The trustees with senior staff hold two training days each year, one to consider aspects of trustee responsibilities and the other to consider specific areas of strategic development. At their awayday in November 2011 and then in June 2012, trustees considered and then agreed to set up a new wholly owned subsidiary Life Choices Plus Ltd. This new company will expand the current home care services to include adults of all ages and allow markets beyond North Tyneside to be explored.

Trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Internal control processes implemented by the trustees include

- Audit & Risk Committee scrutiny of the Risk Register
- A Strategic Plan and Annual Budget approved by the trustees
- Regular consideration by the trustees of the financial results, variances from budget, forecasts and performance indicators
- Delegation of authority and segregation of duties
- Identification and management of risk

Risk

The trustees have in place a formal risk management process to assess risks and implement risk management strategies. A risk register is in place and is scrutinised at quarterly Audit & Risk Committee meetings. An annual work programme is also in place to plan and prioritise this work.

The Risk Register includes the following sections

- Being an effective charity which includes governance, management, individual projects, internal infrastructure, compliance, external factors and internal financial controls
- Being an effective Age UK
- Being an effective member of the Age UK association

The process identifies the types of risk the charity faces, prioritises them in terms of the likelihood of occurrence and potential impact and identifies the means of mitigating these risks.

Reserves

The Finance & Resources Committee, on behalf of the Board of Trustees, conducts an annual review of the level of reserves to ensure that reserves are sufficient to address the financial risks of the charity and to ensure that there are sufficient reserves to invest in the organisation's development in line with the strategic plan.

The review in March 2012 concluded that Age UK North Tyneside needed to accrue designated reserves equivalent to two months normal revenue expenditure for each individual cost centre, plus potential staff redundancy costs. The reserves policy is reviewed annually in February/March in light of the findings and conclusions of the Risk Audit Report and the recommendations from the Budget Report.

- The total deficit for the year before gains and losses on pension scheme and investments was £56,506 which was made up of a £37,438 deficit on the unrestricted fund, a £58,117 deficit on the restricted fund, and a £39,049 surplus on the capital fund.
- Capital Fund - all of the income has been applied to fixed assets. This fund can therefore not be used as if it were income. See note 21.

AGE UK NORTH TYNESIDE

BOARD OF TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2012

- **Restricted Fund** – the fund balances are not available for general charity use, but are only expendable in accordance with the objects declared by the donors £71,977 was transferred into restricted funds from the designated fund to support projects where funding had ran out until additional funding could be secured See note 22
- **Unrestricted Fund** – it is the policy of Age UK North Tyneside to accumulate a contingency reserve equivalent to two months normal revenue expenditure plus potential staff redundancy costs which would calculate to £432,482

A further £302,044 is being held in reserve to address the financial uncertainty which currently exists and is expected to continue for another year

The organisation had projected a deficit of between £169,917 to £573,014 for the financial year 2012-2013. A Change Management Plan is well underway, however the Board expect the change process to extend well into 2012-2013, where it will be necessary to draw further on our reserves to ensure we minimise any major disruption to services and continue to deliver on our strategy

Designated funds

As previously reported it is the policy of Age UK North Tyneside to accrue designated reserves equivalent to two months normal revenue expenditure for each individual cost centre, plus potential staff redundancy costs. Designated reserves are shown in note 23 in the financial statements

The charity has a number of designated funds which are for future use or to fund an exit strategy. As the charity manages a number of contracts the trustees are forever mindful of the need to ensure these contracts if brought to an end are done so in a planned way to minimise the impact to customers. None of these funds are expected to be used in the next financial year

Future direction, challenges, priorities and threats

2011-2012 was the first year of our new three year Strategy 2011-2014 "Making for of Life"

2012-2013 will continue like 2011-2012 to be another very challenging year with a worst case scenario budget deficit of £573,014 to continue our current services. In this respect the Board of Trustees has committed £219,917 from the Strategic Development Fund to help meet the deficit. The rest is to be found through the Income Generation Plan and cost savings

The Finance & Resources Committee will monitor the budget very closely over the next 12 months making recommendations to the Board of Trustees where any further adaptation and changes need to be made

The arena we now operate within requires a more customer focused marketing approach. More older people will be assessed under the personalisation agenda with Individual Service Funds and Personal Budgets giving them more choice about how they want to meet their needs. As providers of services we will be in competition with the open market to offer services that they want

Commissioners of services are moving away from Block Contracts to framework contracts which will select a range of providers to purchase their care and support from them and provide more choice

We expect to be a very different organisation by the end of this three year strategy. What we look like will very much depend on our success at driving through the change management process whilst continuing to meet the wants, needs and changing demands of older people

We are confident that with the excellent Board, Senior Management Team, staff and volunteer supporters that we will survive and fulfil our new mission 'To Improve the Quality of Life for Older People'. We will continue to do this through four key aims identified under the headings of

- Working in Local Communities
- Delivering Quality Services
- Campaigning and Influencing
- Raising our Profile

AGE UK NORTH TYNESIDE

BOARD OF TRUSTEES REPORT

FOR THE YEAR ENDED 31 MARCH 2012

Governing documents

The charity's governing documents are its Memorandum and Articles of Association

Organisational structure

The charity is managed on behalf of the trustees by the Chief Executive, Alma Caldwell, and her senior management team who head up key functions. Dawn McNally is Deputy Chief Executive/Director of Finance responsible for the day to day management of the organisation. Angela Dawson is the Executive Assistant responsible for supporting the Chief Executive's Office and Board of Trustees, Elaine Inglis is Head of Corporate Support and specialises in marketing and fundraising and Sandra Gray is Head of Health & Wellbeing responsible for health and social care. Alan Gerono (Head of Customer Services) left the organisation in August 2011 as did Romi Jones (Head of Community Services) whose consultancy came to an end in May 2011.

Subsidiary company

Our trading company, set up to provide independent income into the charity to support our charitable activity made a gift aid donation of £29,785 (2011 £16,354) at the end of the year.

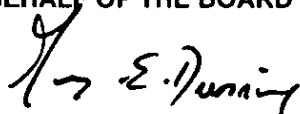
Employment policies

The charity operates a number of key employment policies including Equality & Diversity and Health & Safety.

Auditors

UNW LLP were re-appointed as auditors in accordance with section 385 of the Companies Act 1985 at the Annual General Meeting on 27 October 2011.

ON BEHALF OF THE BOARD



Professor Mary Dunning
Chair

7 August 2012

AGE UK NORTH TYNESIDE

INDEPENDENT AUDITORS REPORT TO THE SUBSCRIBERS OF AGE UK NORTH TYNESIDE

FOR THE YEAR ENDED 31 MARCH 2012

We have audited the financial statements of Age UK North Tyneside and the group for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Company Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 March 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities), and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in The Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AGE UK NORTH TYNESIDE

INDEPENDENT AUDITORS REPORT TO THE SUBSCRIBERS OF AGE UK NORTH TYNESIDE

FOR THE YEAR ENDED 31 MARCH 2012

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime



Andrew Wilson BA FCA
(Senior Statutory Auditor)
For and on behalf of
UNW LLP

Chartered Accountants
& Statutory Auditor

Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

7 August 2012

AGE UK NORTH TYNESIDE

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2012

The principal accounting policies of the company have remained unchanged from the previous year and are set out below

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertaking, Age UK North Tyneside Trading Limited and Life Choices Plus Limited, drawn up to 31 March each year

Depreciation and amortisation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets. The rates generally applicable are

Land & buildings	2.0% to 10.0%	straight line basis
Equipment	12.5%	straight line basis
Fixtures & fittings	12.5%	straight line basis
Office equipment	12.5%	straight line basis
Motor vehicles	25.0%	reducing balance basis
Computer equipment	33.3%	straight line basis

Amortisation is calculated to write down the cost less estimated residual value of all leases capable of exceeding 25 years, as follows

Long leasehold	50 years or lease term if less
----------------	--------------------------------

Stock

Stock is stated at the lower of cost and net realisable value

Investments

Investments are included at market value. Investment income is accounted for when receivable

Pension costs

For defined benefit schemes the amount charged to the SOFA in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from the cost. The interest cost and expected return on assets are included within the SOFA

Pension scheme liabilities are measured on an actuarial basis using a projected unit method and are discounted to their present value at a current rate of return on a high quality corporate bond of equivalent term and currency. Pension scheme assets are measured at fair value at the balance sheet date. Full actuarial valuations, by a professional actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date

The pension scheme deficit is recognised in full at the balance sheet date

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the SOFA

AGE UK NORTH TYNESIDE

PRINCIPAL ACCOUNTING POLICIESCONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

For contribution benefit schemes the amount charged to the SOFA in respect of pension costs represents the amount payable by the charity in respect of the year

Donations

Donations represent cash received in respect of specific and general donations during the year

Legacies

Legacies have been recognised when Age UK North Tyneside is notified of its legal entitlement, the amount is quantifiable and its ultimate receipt is confirmed

Grants

Grants of a revenue nature are credited to income in the period to which they relate

Designated funds

Designated funds are amounts which have been put aside at the discretion of the trustees and are therefore not available for other purposes

Restricted funds

Restricted funds represent grants, donations, legacies and assets which are allocated by the donor for specific purposes

AGE UK NORTH TYNESIDE

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2012

Income & Expenditure	Notes	Unrestricted Fund £	Restricted Fund £	Capital Fund £	Total 2012 £	Total 2011 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	1	24,040	22,173	-	46,213	25,402
Activities for generating funds	2	151,925	18,219	-	170,144	144,564
Investment income	3	16,553	12	-	16,565	18,711
Incoming resources from charitable activities	4	2,765,689	619,546	115,700	3,500,935	3,629,531
Other incoming resources		41,406	5,074	-	46,480	60,237
Total incoming resources		<u>2,999,613</u>	<u>665,024</u>	<u>115,700</u>	<u>3,780,337</u>	<u>3,878,445</u>
Resources expended						
Costs of generating funds						
Costs of generating						
Voluntary income		-	-	-	-	-
Fundraising trading	6	31,098	-	-	31,098	31,058
Investment management costs		3,300	-	-	3,300	2,411
Charitable activities	7/8	2,931,653	721,191	76,651	3,729,495	3,647,572
Governance costs	9	71,000	1,950	-	72,950	64,857
Total resources expended		<u>3,037,051</u>	<u>723,141</u>	<u>76,651</u>	<u>3,836,843</u>	<u>3,745,898</u>
Net incoming(outgoing) resources before transfer		<u>(37,438)</u>	<u>(58,117)</u>	<u>39,049</u>	<u>(56,506)</u>	<u>132,547</u>
Transfer between funds	22	(71,977)	71,977	-	-	-
Net incoming(outgoing) resources before other unrecognised gains/losses		<u>(109,415)</u>	<u>13,860</u>	<u>39,049</u>	<u>(56,506)</u>	<u>132,547</u>
Gains and (losses) on investments		(37,330)	-	-	(37,330)	25,677
Actuarial gains/(losses) on defined benefit pension scheme	24	(85,000)	-	-	(85,000)	150,000
Net movement in funds		<u>(231,745)</u>	<u>13,860</u>	<u>39,049</u>	<u>(178,836)</u>	<u>308,224</u>
Fund balances brought forward at 1 April 2011		<u>1,099,289</u>	<u>49,861</u>	<u>848,415</u>	<u>1,997,565</u>	<u>1,689,341</u>
Fund balances carried forward at 31 March 2012		<u>867,544</u>	<u>63,721</u>	<u>887,464</u>	<u>1,818,729</u>	<u>1,997,565</u>

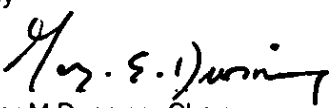
There were no unrecognised gains or losses other than the surplus/deficit for the year accounting policies and notes form an integral part of these financial statements The accompanying

AGE UKNORTH TYNESIDE

CONSOLIDATED AND CHARITY BALANCE SHEETS AT 31 MARCH 2012

	Notes	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Fixed assets					
Tangible assets	15	1,264,217	1,196,183	1,231,190	1,196,183
Investments	16	792,605	829,935	421,430	829,941
		<u>2,056,822</u>	<u>2,026,118</u>	<u>1,652,620</u>	<u>2,026,124</u>
Current assets					
Stocks	17	10,128	7,893	3,017	7,249
Debtors	18	181,088	197,856	198,341	191,012
Cash at bank and in hand		332,833	392,794	295,424	377,125
		<u>524,049</u>	<u>598,543</u>	<u>496,782</u>	<u>575,386</u>
Creditors: amounts falling due within one year	19	(343,142)	(283,096)	(293,688)	(264,705)
Net current assets		<u>180,907</u>	<u>315,447</u>	<u>203,094</u>	<u>310,681</u>
Total assets less current liabilities		<u>2,237,729</u>	<u>2,341,565</u>	<u>1,855,714</u>	<u>2,336,805</u>
Creditors amounts falling due in more than one year	20	(170,000)	(180,000)	(170,000)	(180,000)
Net assets excluding pension liability		<u>2,067,729</u>	<u>2,161,565</u>	<u>1,685,714</u>	<u>2,156,805</u>
Defined benefit pension scheme liability	24	(249,000)	(164,000)	(249,000)	(164,000)
Net assets including pension liability		<u>1,818,729</u>	<u>1,997,565</u>	<u>1,436,714</u>	<u>1,992,805</u>
The funds of the charity					
Restricted income funds	22	63,722	49,861	63,722	49,861
Unrestricted income funds					
Non charitable trading fund 1		4,760	4,760	-	-
Non charitable trading fund 2		377,255	-	-	-
Designated Funds	23	734,526	1,258,529	734,526	1,258,529
Pension Fund	24	(249,000)	(164,000)	(249,000)	(164,000)
Capital Fund	21	887,465	848,415	887,465	848,415
Total unrestricted funds		<u>1,755,007</u>	<u>1,947,704</u>	<u>1,372,991</u>	<u>1,942,944</u>
Total charity funds		<u>1,818,729</u>	<u>1,997,565</u>	<u>1,436,714</u>	<u>1,992,805</u>

The financial statements were approved by the Board of Trustees on 7 August 2012 and are signed on their behalf by


Professor M Dunning, Chair


A J Durn, Company Secretary

Company registration number 01763579

The accompanying accounting policies and notes form an integral part of these financial statements

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

1 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Donations	24,040	16,874	-	40,914	20,789
Legacy	-	-	-	-	1,000
Sponsorship	-	5,299	-	5,299	3,613
	<u>24,040</u>	<u>22,173</u>	<u>-</u>	<u>46,213</u>	<u>25,402</u>

2 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Insurance Commissions	53,548	-	-	53,548	45,246
Lottery Commissions	2,025	-	-	2,025	2,178
Other Commissions	18,783	-	-	18,783	15,465
Sale of Cards & Stationery	1,170	-	-	1,170	3,464
Coffee Shop Sales	52,332	-	-	52,332	32,035
Rental Income from assets	19,277	-	-	19,277	14,295
Income from events	363	806	-	1,169	5,784
Income from training	4,427	-	-	4,427	6,608
Age UK shop profits	-	17,413	-	17,413	19,489
	<u>151,925</u>	<u>18,219</u>	<u>-</u>	<u>170,144</u>	<u>144,564</u>

3 Investment Income

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Investment income	16,321	-	-	16,321	18,425
Bank interest	232	12	-	244	286
	<u>16,553</u>	<u>12</u>	<u>-</u>	<u>16,565</u>	<u>18,711</u>

4 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Charitable trust grants	7,022	180,575	115,700	303,297	186,849
Fit as a Fiddle Big Lottery	-	346,777	-	346,777	316,548
Contracts/SLA income	1,825,035	88,757	-	1,913,792	2,231,092
Tenants contribution & Housing benefit	336,701	-	-	336,701	358,112
Supporting People grant	103,476	-	-	103,476	114,422
Fees – Meals & activities	65,067	3,437	-	68,504	44,693
Private individuals	336,701	-	-	336,701	288,757
PCT SLA income	91,687	-	-	91,687	89,058
	<u>2,765,689</u>	<u>619,546</u>	<u>115,700</u>	<u>3,500,935</u>	<u>3,629,531</u>

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

5 Net income from trading activity of subsidiary companies

The charity has two wholly owned trading subsidiaries which are registered in England and Wales **Age UK North Tyneside Trading Limited** provides insurance services and **Life Choices Plus Limited** provides home care services to adults of all ages

Age UK North Tyneside Trading Limited donated £29,785 of its taxable profits to Age UK North Tyneside (2011 £16,354) A summary of the trading results is shown below Audited financial statements will be filed with the Registrar of Companies

	2012 £	2011 £
Profit and loss account		
Turnover	75,936	66,476
Cost of sales and administration expenses	(46,151)	(50,122)
Net profit	<u>29,785</u>	<u>16,354</u>
Amount gifted to charity under gift aid	(29,785)	(16,354)
Retained by subsidiary	<u>-</u>	<u>-</u>
Aggregate share capital and reserves	<u>4,766</u>	<u>4,766</u>

Life Choices Plus Limited was set up and incorporated on 15 August 2011 The company did not trade during the year, although audited financial statements will be filed with the Registrar of Companies

6 Costs of fundraising trading

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Staff costs	23,567	-	-	23,567	25,067
Travel	121	-	-	121	229
Office overheads	6,625	-	-	6,625	3,193
Depreciation	-	-	-	-	465
Goods for re-sale	785	-	-	785	2,104
	<u>31,098</u>	<u>-</u>	<u>-</u>	<u>31,098</u>	<u>31,058</u>

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

7 Charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Staff costs	2,360,145	274,121	-	2,634,266	2,648,939
Premises	144,042	39,676	-	183,718	228,611
Office overheads	44,652	54,311	-	98,963	68,961
Legal & professional fees	12,952	1,456	-	14,408	9,549
Travel	168,749	10,830	-	179,579	161,009
Grant giving	21,256	321,525	-	342,781	309,627
Depreciation	15,391	3,203	76,651	95,245	97,636
Sundry	7,219	2,390	-	9,609	28,088
Food and provision	118,828	206	-	119,034	114,773
Development & project work	6,639	12,233	-	18,872	7,528
Loss on disposal	-	-	-	-	354
Promotion and publicity	31,780	1,240	-	33,020	13,181
	<u>2,931,653</u>	<u>721,191</u>	<u>76,651</u>	<u>3,729,495</u>	<u>3,647,572</u>

8 Charitable activities by activity type

	Direct costs £	Direct staff costs £	Support costs £	2012 £	2011 £
Homeside	69,040	376,056	55,500	500,596	529,309
EMH/RP	115,439	342,203	55,500	513,142	553,810
Day services	171,253	259,815	49,550	480,618	490,981
Customer services	47,984	178,813	71,628	298,425	302,074
Community services	132,859	130,390	50,014	313,263	273,906
Community home care	136,661	882,536	82,625	1,101,822	1,099,421
Fit As A Fiddle	323,620	24,812	385	348,817	315,650
Trading company	14,164	-	-	14,164	18,359
Management support	-	-	158,648	158,648	64,062
	<u>1,011,020</u>	<u>2,194,625</u>	<u>523,850</u>	<u>3,729,495</u>	<u>3,647,572</u>

9 Governance costs

	Unrestricted Funds £	Restricted Funds £	Capital Funds £	2012 £	2011 £
Wages and salaries	54,758	-	-	54,758	58,132
Premises	2,303	-	-	2,303	2,896
Travel	1,159	-	-	1,159	2,287
Audit and accountancy	5,650	1,950	-	7,600	(999)
Legal and professional	6,462	-	-	6,462	1,241
Trustee training	228	-	-	228	1,130
Membership and subscriptions	440	-	-	440	170
	<u>71,000</u>	<u>1,950</u>	<u>-</u>	<u>72,950</u>	<u>64,857</u>

Included within governance costs are the costs for the senior management team to support the governance structure

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

10. Total resources expended

	Staff Costs	Depreciation	Other	2012	2011
	£	£	£	£	£
Cost of generating funds	21,708	-	12,690	34,398	33,469
Charitable activities	2,634,267	95,244	999,984	3,729,495	3,647,572
Governance costs	54,757	-	18,193	72,950	64,857
	<u>2,710,732</u>	<u>95,244</u>	<u>1,030,867</u>	<u>3,836,843</u>	<u>3,745,898</u>

	2012	2011
	£	£
Other costs		
Development & project work	18,871	8,769
Premises	185,718	159,805
Grant giving	342,781	309,627
Travel	179,579	163,525
Sundry	34,226	28,088
Food and provisions	109,920	114,773
Promotion and publicity	33,020	13,181
Professional fees	14,408	9,549
Audit and accountancy	7,600	(999)
Investment managers fees	3,300	2,411
Office overheads	98,063	88,680
Trustee training	228	1,130
Sundry purchases	3,153	2,104
Loss on Disposal	-	354
	<u>1,030,867</u>	<u>900,997</u>

The grant giving category relates to two different aspects the Health & Happiness Fund where £21,256 was distributed to small organisations and individuals across North Tyneside

The Fit as a Fiddle Project which is a regional project managed by Age UK North Tyneside distributed £321,525 to nine Age UK organisations across the North East of England in line with the terms of the management agreement

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

11. Staff costs

Staff numbers:	2012	2011
	£	£
Senior managers	5	7
Project managers	6	7
Project staff	35	29
Catering and domestic	24	21
Care workers	143	134
	<u>213</u>	<u>198</u>

One employee earned more than £60,000 during the year. Their salary was between £60,000 and £70,000.

Totalsalary costs analysed by	2012	2011
	£	£
Wages and salaries	2,476,498	2,475,759
National Insurance contributions	156,412	168,233
Pension contributions	77,822	88,146
	<u>2,710,732</u>	<u>2,732,138</u>

12 Pension scheme

The group operates a defined benefit scheme in the UK. A full actuarial valuation of the Age Concern Retirement Benefits Scheme was carried out as at 1 April 2010 and the results of this valuation have been updated to March 2012 by a qualified independent actuary.

Principal actuarial assumptions at the balance sheet date

	As at 31 March 2012	As at 31 March 2011
	%	%
Discount rate	5.00	5.50
Rate of increase in salaries	N/A	N/A
Rate of increase in payment of pre 2006 pensions	3.20	3.20
Rate of increase in payment of post 2006 pensions	2.50	2.50
Rate of revaluation of deferred pensions in excess of the GMP	2.20	2.70
Inflation assumption (RPI)	3.20	3.20
Inflation assumption (CPI)	2.20	2.70
Expected return on scheme assets	5.43	6.32

Allowance has been made for all members to exchange 80% of the maximum cash allowance available upon retirement. The mortality assumptions are S1 Normal base tables projected by year of birth assuming future improvements in line with CMI 2011 core projections with a long term rate of improvement of 0.5% pa. The mortality assumptions at 31 March 2012 adopted the same base table but future improvements were assumed to be in line with medium cohort projections.

The assumed life expectations on retirement at age 65	As at 31 March 2012	As at 31 March 2011
	Years	Years
Retiring today – males	86.5	85.7
Retiring today – females	88.8	88.3
Retiring in 20 years – males	87.0	86.9
Retiring in 20 years – females	89.6	89.3

AGE UKNORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

13. Expenses

There is trustee and individual liability indemnity insurance in place for trustees. This was purchased for the first time in August 2011 with Hiscox with a policy limit of £1,000,000 in the aggregate including costs.

The charity reimbursed trustees for travel expenses amounting to £1,159 (2011 £792).

No trustee received any remuneration (2011 £nil).

14 Net incoming resources for the year

This is stated after charging

	2012 £	2011 £
Depreciation	95,243	98,101
Auditor's remuneration		
- audit of the financial statements	8,100	7,800
Operating lease costs		
- Other	<u>5,972</u>	<u>5,972</u>

15. Tangible fixed assets

Group	Land & Buildings £	Fixtures & Fittings £	Office Equipment £	Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost or Valuation							
At 1 April 2011	1,263,929	141,264	84,043	69,153	144,622	10,500	1,713,511
Additions	91,058	10,298	-	10,341	51,581	-	163,278
Disposals	-	-	-	(517)	(1,021)	-	(1,538)
At 31 March 2012	<u>1,354,987</u>	<u>151,562</u>	<u>84,043</u>	<u>78,977</u>	<u>195,182</u>	<u>10,500</u>	<u>1,875,251</u>
Depreciation At 1 April 2011	<u>189,647</u>	<u>98,795</u>	<u>62,729</u>	<u>53,957</u>	<u>110,162</u>	<u>2,038</u>	<u>517,328</u>
Charge for the year	55,574	10,581	5,104	4,332	17,536	2,116	95,243
Disposals	-	-	-	(515)	(1,022)	-	(1,537)
At 31 March 2012	<u>245,221</u>	<u>109,376</u>	<u>67,833</u>	<u>57,774</u>	<u>126,676</u>	<u>4,154</u>	<u>611,034</u>
Net book value at 31 March 2012	<u>1,109,766</u>	<u>42,186</u>	<u>16,210</u>	<u>21,203</u>	<u>68,506</u>	<u>6,346</u>	<u>1,264,217</u>
Net book value at 31 March 2011	<u>1,074,282</u>	<u>42,469</u>	<u>21,314</u>	<u>15,196</u>	<u>34,460</u>	<u>8,462</u>	<u>1,196,183</u>

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

15. Tangible fixed assets (continued)

Charity	Land & Buildings £	Fixtures & Fittings £	Office Equipment £	Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost or Valuation At 1 April 2011	1,263,929	140,742	81,800	69,153	142,932	10,500	1,709,056
Additions	91,058	10,820	2,243	10,341	53,271	-	167,733
Disposals	-	-	-	(517)	(1,021)	-	(1,538)
Transfer	-	(34,401)	(2,771)	(32,012)	(39,857)	(10,500)	(119,541)
At 31 March 2012	1,354,987	117,161	81,272	46,965	155,327	-	1,755,710
Depreciation At 1 April 2011	189,647	98,273	60,487	53,957	108,470	2,038	512,873
Charges for the year	55,574	11,103	7,349	4,332	19,228	2,115	99,701
Disposals	-	-	-	(515)	(1,022)	-	(1,537)
Transfer	-	(16,807)	(2,771)	(25,124)	(37,658)	(4,153)	(86,513)
At 31 March 2012	245,221	92,569	65,065	32,648	89,019	-	524,520
Net book value at 31 March 2012	1,109,766	24,592	16,207	14,317	66,308	-	1,231,190
Net book value at 31 March 2011	1,074,282	42,469	21,313	15,195	34,462	8,462	1,196,183

Of the net book value for land & buildings at 31 March 2012 £23,162 (2011 £23,727) relates to long leasehold and £1,086,604 (2011 £1,050,556) to freehold

Comparable historical cost for the land and buildings included

Comparable historical cost for the land and buildings included at valuation

	£
Cost	
At 1 April 2011 and 31 March 2012	733,432
Depreciation	
At 1 April 2011	185,428
Charge for the year	44,966
At 31 March 2012	230,394
Net book value at 31 March 2012	503,038
Net book value at 31 March 2011	825,734

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

16. Fixed asset investments

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Quoted investments				
Market value at 1 April 2011	829,935	804,260	829,935	804,260
Net unrealised investment loss	(37,330)	25,675	(37,330)	25,675
Additions	-	-	-	-
Transfer of Life Choices	-	-	(371,199)	-
Market value at 31 March 2012	<u>792,605</u>	<u>829,935</u>	<u>421,406</u>	<u>829,935</u>
Split of Investments				
	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
UK fixed interest	306,738	53,148	169,534	53,148
UK equities	158,521	308,705	70,944	308,705
Overseas equities	133,950	132,468	74,034	132,468
Infrastructure	30,912	-	17,085	-
Hedge funds	81,638	14,930	45,121	14,930
Property	34,875	-	19,275	-
Total investment	<u>746,634</u>	<u>509,251</u>	<u>395,993</u>	<u>509,251</u>
Cash deposit	45,971	320,684	25,413	320,684
Total portfolio	<u>792,605</u>	<u>829,935</u>	<u>421,406</u>	<u>829,935</u>

The historic cost of investments is £835,000 (2011 £835,000)

Investment in trading subsidiary companies

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Age UK North Tyneside Trading Limited	-	-	6	6
Life Choices Plus Limited	-	-	2	-
Age UK Northern Enterprises Limited	-	-	10	-
	<u>-</u>	<u>-</u>	<u>18</u>	<u>6</u>
Total	<u>792,605</u>	<u>829,935</u>	<u>421,430</u>	<u>829,941</u>

Life Choices Plus Limited is a new 100% owned subsidiary company incorporated during the year. The company did not trade in the period from incorporation. On 31 March 2012 the trade and assets of the homecare division were transferred to the new subsidiary, trade commenced from 1 April 2012.

Age UK Northern Enterprises Limited is a new company incorporated during the period. Age UK North Tyneside own 33% of this new company which commenced trading from 1 April 2012.

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

17. Stock

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Consumables	10,128	7,893	3,017	7,249

18 Debtors

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Trade debtors	167,046	151,722	77,329	144,944
Other debtors	3,081	26,839	3,081	26,839
Prepayments	10,961	19,295	7,779	19,229
Intercompany debtor	-	-	110,152	-
	<u>181,088</u>	<u>197,856</u>	<u>198,341</u>	<u>191,012</u>

19 Creditors: amounts falling due within one year

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Trade creditors	141,836	72,684	125,490	72,006
Other creditors	7,385	50,570	6,612	34,214
Other taxes and social security costs	35,412	42,523	19,846	42,054
Accruals	38,808	55,389	32,360	54,501
Deferred income	109,701	51,930	99,380	51,930
Loans	10,000	10,000	10,000	10,000
	<u>343,142</u>	<u>283,096</u>	<u>293,688</u>	<u>264,705</u>

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

Breakdown of deferred income

	Deferred income At 1 April 2011 £	Income released from prior year £	Deferred Income At 31 March 2012 £
Northern Rock	20,112	20,112	21,287
Great North Run 2011	690	690	-
North Tyneside Children's Fund	9,969	-	9,969
NTC – Adult Learning Alliance	-	-	1,667
IT For All Fees – paid/received in advance	-	-	405
Big Lottery - FAAF (Ref redundancy)	-	-	3,591
Big Lottery - FAAF (Ref redundancy)	-	-	2,825
Big Lottery – FAAF additional funding	-	-	10,000
NTC – supporting people	5,203	5,203	10,321
LAA Community First Reward Grant	-	-	39,439
Northumbria Police	8,305	8,305	10,197
Wilkinson Grant	2,580	2,580	-
Norprime	306	306	-
Age UK Integration Grant	2,400	2,400	-
Madgley Memorial Fund	865	865	-
Age UK Grant	1,500	1,500	-
	<u>51,930</u>	<u>41,961</u>	<u>109,701</u>

20 Creditors amounts falling due after one year

	Group 2012 £	Group 2011 £	Charity 2012 £	Charity 2011 £
Commercial mortgage	170,000	180,000	170,000	180,000
	<u>170,000</u>	<u>180,000</u>	<u>170,000</u>	<u>180,000</u>

The commercial mortgage was taken out with Barclays Bank plc in April 2011 to purchase Park Studios and carry out refurbishment works to the Whitley Bay Centre. The mortgage is repayable over 20 years. Barclays Bank plc have a legal charge over the Bradbury Centre.

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

21. Capital funds

Group and Charity

	Movement in Resources			Transfer	Balance at
	Balance at 1 April 2011	Incoming Resources	Resources Expended	between Funds	31 March 2012
	£	£	£	£	£
The Bradbury Centre	583,355	-	(44,807)	-	538,548
Cedar Grove Wellbeing Centre	158,400	115,700	(28,241)	-	245,859
Whitley Bay Centre	106,660	-	(3,603)	-	103,058
	<u>848,415</u>	<u>115,700</u>	<u>(76,651)</u>	<u>-</u>	<u>887,465</u>

The Bradbury Centre was purchased in March 2005 for £300,000 with a donation from the Bradbury Foundation

The refurbishment of Cedar Grove Day Centre was funded by the Community Fund and the Victor Mann Trust in 1997. In this financial year we were successful in securing £115,700 from the Social Enterprise Investment Fund to carry out further refurbishment work on Cedar Grove to transform into a Wellbeing Centre

22 Restricted funds

The income funds of the charity include restricted funds comprising of the following unexpended balances of donations and grants held on trusts to be applied for specific purposes

Project	Balance at 31 March 2011 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 March 2012 £
Age UK North Tyneside FAAF	-	32,134	(33,216)	1,082	-
Age UK N East - FAAF	1,162	346,789	(348,355)	404	-
Health & Soc Care VF	-	9,942	(9,002)	-	940
Back on Board	-	8,942	(36,390)	27,448	-
Christmas Day Lunch	532	-	(1,389)	856	-
Community Development	14,574	83,823	(113,067)	14,670	-
Customer Services I&A	33,137	123,028	(96,040)	-	60,126
Community First LAA	-	13,147	(11,751)	-	1,396
Falls Prevention	-	13,041	(19,238)	6,197	-
IT for All	-	16,875	(38,195)	21,320	-
Safe & Secure	456	17,303	(16,498)	-	1,260
	<u>49,861</u>	<u>665,024</u>	<u>(723,141)</u>	<u>71,977</u>	<u>63,722</u>

Transfers relate to amounts from unrestricted funds to meet the costs associated with restricted projects which are not fully met by income

22. Restricted funds (continued)

The North East Fit as a Fiddle Project received £346,364 funding from the Big Lottery which was then largely distributed to the nine Age UK Organisations in the North East, including Age UK North Tyneside. Within the aforementioned funding is grant of £37,535 being our portion of year five of the Fit as a Fiddle five year project funded by the Big Lottery. This included an additional £10,000 received in this year of the project towards evaluation of the five year Fit as a Fiddle project funded to 31 March 2012.

A grant of £9,942 was received from the Department of Health on behalf of the Health & Social Volunteering Fund towards a new project which commenced 1 October 2011. £39,571 was granted for the period from 1 April 2012 to 31 March 2014. This new project aims to improve the safety and independence of older people who have been identified by GP's as having no existing support networks, and who are at risk of social isolation due to a long term health condition.

The Back on Board project continued to be funded via a Service Level Agreement from Next Step which amounted to £8,942 in this financial year.

No funding was received in this year towards Christmas Day Lunch for 18 socially isolated individuals.

Our Community Services development work benefited from a grant of £20,000 from the Millfield Foundation, £9,850 from North Tyneside Primary Care Trust, £5,522 from Age UK and £17,413 received from Age UK Retail Division from shop profits. Additional income was received by donations, sponsorship and raised through charges to customers for a range of activities provided.

Information & Advice was funded from grants from Northern Rock £49,914 and the longstanding Service Level Agreement from North Tyneside Council of £31,641. A further Service Level Agreement was agreed and delivered towards the last quarter of the financial year with North Tyneside Council and £22,000 was received towards this Winter Warmth Project. A Benefit Advice Grant of £15,000 was received from EON via Age UK. Additional income is made up of a grant from Age UK including a contribution received towards Age UK North Tyneside's new Customer Relationship Management database, donations and a contribution for a shared database facility with Age UK Northumberland.

The Community First project received £52,586 from the Local Area Reward Grant for the period to 31 March 2013. This is a new project in partnership with North Tyneside Council and VODA and commenced 1 January 2012 where £13,146 related to this financial year.

Our Falls Prevention programme was funded from a Service Level Agreement from Norprime for £13,040.

IT for All was funded by an extended Service Level Agreement with North Tyneside Council Adult Learning Alliance for £13,333. Additional money was raised through charges to customers.

Safe and Secure was funded by a grant from Wilkinson for £6,580 and Northumbria Police of which £9,833 related to this financial year.

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

23. Designated funds

Project	Balance at 31 March 2011 £	Income £	Expenditure £	Transfer between funds £	Balance at 31 March 2012 £
Housing Schemes	167,289	1,145,766	(1,014,739)	(298,316)	-
Home Care	178,159	1,178,573	(1,102,322)	(254,410)	-
Day Services	94,090	413,262	(400,263)	25,240	132,329
Management and governance	168,368	518,964	(609,193)	54,130	132,269
Customer services	60,860	59,486	(144,739)	77,615	53,222
50+ Choices	20,119	-	-	(5,693)	14,426
Support Planning & Brokerage	-	-	-	5,684	5,684
Community Services	48,979	778	(25,017)	7,638	32,378
Care Academy	-	-	-	26,350	26,350
Falls Prevention	-	-	-	20,990	20,990
Health & Happiness	-	10,000	(21,251)	11,251	-
Whitley Bay Centre	-	22,329	(44,072)	32,154	10,411
IT Outreach	-	187	(23,950)	28,185	4,422
Borough Wide Activities	-	30,107	(31,344)	1,237	-
North East FAAF	1,746	-	-	(1,746)	-
Strategic Development Fund	518,919	-	-	(216,874)	302,045
Adjust for Internal Charges	-	(379,839)	379,839	-	-
	<u>1,258,529</u>	<u>2,999,613</u>	<u>(3,037,051)</u>	<u>(486,565)</u>	<u>734,526</u>

Transfers relate to amounts being re-designated by the trustees

The housing schemes and homecare's reserves were transferred into the new wholly owned subsidiary company, Life Choices Plus Ltd on 31 March 2012 in line with the Groups Reserves Policy. Trustees agreed to gift the reserves to the new company to allow it to start off by managing the risks associated with running the services it provides.

Day services, management and governance, customer services, 50+ Choices and community services are all holding reserves in line with the organisations reserves policy. This means that each project is holding two months normal revenue expenditure plus potential staff redundancy costs in reserve. The two months normal revenue expenditure is calculated using the projected expenditure for each project for the next financial year ending 31 March 2013.

The Strategic Development Fund of £302,044 will be used to manage a worst case scenario budget deficit, which calculates at £573,014 for the year ending 31 March 2013, and to invest in the organisation's three year strategy where we are entering Year Two.

24 Pension

This disclosure below is provided in respect of Age UK Retirement Benefits Scheme ("the Scheme")

A full actuarial valuation of the Scheme was carried out as at 1 April 2010 and the results of this valuation have been updated to 31 March 2012 by a qualified actuary. As required by FRS 17, the defined benefit liabilities have been measured using the projected unit method. The scheme is closed to new entrants and further benefit accrual.

The expected employer contributions for the year ending 31 March 2013 £48,432, these contributions include an allowance for administration expenses and PPF levies.

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

24. Pension (continued)

Major categories of scheme assets as a percentage of total assets

	2012	2011
	%	%
Equities	50.07	51.29
Gifts / fixed interest gilts	30.09	27.72
Bonds/fixed interest bonds	14.17	13.76
Property	6.97	7.18
Cash	(1.30)	0.05

None of the scheme's assets are invested in property or other assets used by the employer

Expected long term rates of return on scheme assets (per annum)

	2012	2011
	%	%
Equities	6.80	7.70
Gifts / Fixed interest Gilts	3.30	4.20
Bonds/Fixed Interest Bonds	5.00	5.50
Property	5.30	6.20
Cash	<u>3.30</u>	<u>4.20</u>
Expected rates of return on scheme assets	5.43	6.32

	2012	2011
	£'000	£'000
The actual return on scheme assets for the year was	62	80

The amounts recognised in the balance sheet are as follows:

Present value of scheme liabilities	(1,506)	(1,366)
Fair value of scheme assets	1,257	1,202
	<u>(249)</u>	<u>(164)</u>
Related deferred tax asset	-	-
Net pension liability	<u>(249)</u>	<u>(164)</u>

Change in the fair value of scheme assets

	2012	2011
	£'000	£'000
Opening fair value of scheme assets	1,202	1,152
Expected return on scheme assets	76	68
Actuarial gains	(14)	12
Employer contributions	48	48
Benefits paid (including expenses)	<u>(55)</u>	<u>(78)</u>
Total market value of assets	<u>1,257</u>	<u>1,202</u>

AGE UK NORTH TYNESIDE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED****FOR THE YEAR ENDED 31 MARCH 2012****24 Pension (continued)****Change in the present value of the defined benefit obligation**

	2012	2011
	£'000	£'000
Opening defined benefit obligation	1,366	1,466
Current service cost	7	11
Interest cost	74	82
Experience loss / (gain) arising on the scheme liabilities	22	(28)
Actuarial loss / (gains)	92	(87)
Benefits paid (including expenses)	(55)	(78)
Liabilities in scheme at end of the year	<u>1,506</u>	<u>1,366</u>

The amounts recognised in the Statement of Financial Activities are as follows

	2012	2011
	£'000	£'000
Current service cost (1)	7	11
Interest on pension scheme liabilities	74	82
Expected return on scheme assets	(76)	(68)
Total	<u>5</u>	<u>25</u>

(1) The current service cost includes the cost of administration expenses and PPF levies

Analysis of actuarial loss recognised in the Statement of Financial Activities

	2012	2011
	£'000	£'000
Actual return less expected return on scheme assets	(14)	12
Experience (loss) / gain arising on scheme liabilities	(22)	28
(Loss) / gain arising from changes in assumptions underlying scheme liabilities	(92)	87
(Loss) / gain recognised in Statement of Financial Activities	<u>(128)</u>	<u>127</u>

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

24 Pension (continued)

History of experience gains and losses:

	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000
Present value of scheme liabilities	(1,506)	(1,366)	(1,466)	(1,163)	(1,170)
Fair value of scheme assets	<u>1,257</u>	<u>1,202</u>	<u>1,152</u>	<u>858</u>	<u>982</u>
(Deficit) in the scheme	(249)	(164)	(314)	(305)	(345)
Experience adjustments on scheme liabilities	(22)	28	(23)	10	10
Experience adjustments on scheme assets	(14)	12	258	(219)	(104)

Movements in surplus during the year

	2012	2011
	£'000	£'000
(Deficit) in scheme at beginning of the year	(164)	(314)
Movement in year		
Current service cost	(7)	(11)
Contributions	48	48
Past service costs	0	0
Curtailment gains	0	0
Other finance income	2	(14)
Actuarial gain/(loss)	<u>(128)</u>	<u>127</u>
(Deficit) in scheme at the end of the year	<u>(249)</u>	<u>(164)</u>

25 Company structure

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1 00

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

26 Analysis of net assets between funds

Group 2012

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One Year £	Defined Benefit Pension Scheme Liability £	Total £
Capital Fund	887,465	-	-	-	-	887,465
Restricted funds	-	-	63,722	-	-	63,722
Unrestricted funds						
Designated fund	376,752	792,605	(264,831)	(170,000)	-	734,526
Other charitable Fund	-	-	-	-	-	-
Trading fund 1	-	-	4,760	-	-	4,760
Trading fund 2	-	-	377,256	-	-	377,256
Pension fund	-	-	-	-	(249,000)	(249,000)
	<u>376,752</u>	<u>792,605</u>	<u>117,185</u>	<u>(170,000)</u>	<u>(249,000)</u>	<u>867,542</u>
	<u>1,264,217</u>	<u>792,605</u>	<u>180,907</u>	<u>(170,000)</u>	<u>(249,000)</u>	<u>1,818,729</u>

Group 2011

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One Year £	Defined Benefit Pension Scheme Liability £	Total £
Capital Fund	848,415	-	-	-	-	848,415
Restricted funds	-	-	49,861	-	-	49,861
Unrestricted funds						
Designated fund	347,768	829,935	260,826	(180,000)	-	1,258,529
Other charitable Fund	-	-	-	-	-	-
Non charitable Trading fund	-	-	4,760	-	-	4,760
Pension fund	-	-	-	-	(164,000)	(164,000)
	<u>347,768</u>	<u>829,935</u>	<u>265,586</u>	<u>-</u>	<u>(164,000)</u>	<u>1,099,289</u>
	<u>1,196,183</u>	<u>829,935</u>	<u>315,447</u>	<u>(180,000)</u>	<u>(164,000)</u>	<u>1,997,565</u>

AGE UK NORTH TYNESIDE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 MARCH 2012

26 Analysis of net assets between funds (continued)

Charity 2012

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One Year £	Defined Benefit Pension Scheme Liability £	Total £
Capital Fund	887,465	-	-	-	-	887,465
Restricted funds	-	-	63,722	-	-	63,722
Unrestricted funds						
Designated fund	343,725	421,412	139,390	(170,000)	-	734,526
Other charitable Funds	-	-	-	-	-	-
Pension fund	-	-	-	-	(249,000)	(249,000)
	<u>343,725</u>	<u>421,412</u>	<u>139,390</u>	<u>(170,000)</u>	<u>(249,000)</u>	<u>485,526</u>
	<u>1,231,190</u>	<u>421,412</u>	<u>203,112</u>	<u>(170,000)</u>	<u>(249,000)</u>	<u>1,436,714</u>

Charity 2011

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Creditors Due after One Year £	Defined Benefit Pension Scheme Liability £	Total £
Capital Fund	848,415	-	-	-	-	848,415
Restricted funds	-	-	49,861	-	-	49,861
Unrestricted funds						
Designated fund	347,768	829,941	260,820	(180,000)	-	1,258,529
Other charitable Funds	-	-	-	-	-	-
Pension fund	-	-	-	-	(164,000)	(164,000)
	<u>347,768</u>	<u>829,941</u>	<u>260,820</u>	<u>(180,000)</u>	<u>(164,000)</u>	<u>1,094,529</u>
	<u>1,196,183</u>	<u>829,941</u>	<u>310,681</u>	<u>(180,000)</u>	<u>(164,000)</u>	<u>1,992,805</u>

27 Capital commitments

There were no capital commitments at 31 March 2012 or 31 March 2011

AGE UK NORTH TYNESIDE**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED****FOR THE YEAR ENDED 31 MARCH 2012****28 Subsidiary undertakings**

At 31 March 2012 the company held more than 20% of the allotted share capital in the following undertakings

	Country of registration	Class of share capital held	Proportion held	Nature of business	Capital & reserves at 31.3.12 £	Profit for the Year ended 31 3 12 £
Age UK North Tyneside Trading Limited	England & Wales	Ordinary	100 00%	Insurance Services	4,766	Nil
Life Choices Plus Limited	England & Wales	Ordinary	100 00%	Home Care Services (non-trading in period)	377,255	Nil
Age UK Northern Enterprises Limited	England & Wales	Ordinary	33 33%	Insurance Services (non-trading in period)	3	Nil

29 Related party transactions

During the year the company provided Age UK North Tyneside Trading Limited with services including the hire of premises, and staffing. Amounts totalling £14,730 (2011 £18,359) for these services were recharged by the company in the year.

30 Controlling party

The members of the Board of Trustees, as subscribers, are considered to be the controlling party.