



**Independent
Age**

**Annual Report
and Accounts
2019**



We're all getting older. And as our society gets older, with all the associated challenges and opportunities that can bring, we need to transform our thinking about what 'old' is.

For Independent Age, 2019 was a year to build on our foundations and define our future. While we increased our influence, we also listened hard and worked with older people, partner organisations and decision makers to help inform how we can all join forces to make sure 'old' is something worth living for.

Introduction

- 2 Welcome from Deborah Alsina and Julia Neuberger
- 4 Highlights from 2019

Strategic report

- 8 Progress against 2019 strategic objectives
- 12 Progress towards 2020-2025 strategic objectives
- 14 Governance structure and management
- 20 Managing risk
- 21 Statement of financial activities
- 26 Statement of Trustees' responsibilities
- 28 Independent auditor's report

Financial statements

- 32 Consolidated Statement of Financial Activities
- 33 Group and Charity Balance Sheets
- 34 Consolidated Statement of Cash Flows
- 35 Notes to the Financial Statements

Legal and administrative details

- 60 Legal and administrative details
- 62 Our year in numbers
- 64 Get involved!

Welcome from Deborah Alsina and Julia Neuberger

This report is about life before COVID-19 but it would be wrong not to include the impact that this virus has and will have on Independent Age. Around the world thousands of all ages have died, including many in later life with underlying health conditions. There have been significant restrictions to people's freedom of movement and a challenge to our normal way of living until a vaccine is developed. Globally, the economy has been badly affected and individual livelihoods and security challenged.

One of our major concerns at Independent Age during this terrible time has been the narrative of ageism and discrimination within the debate on COVID-19. Older people have become a chronological age, rather than individuals with life stories of their own. Reduced to a series of risk factors, under pressure to sign a do not resuscitate order or refused access to treatment, with no recognition that some are healthier and fitter than others 20 years younger or more.

We believe it's imperative that we don't lose sight of our societal values and the gains we've made in overcoming discrimination. We need to hold on to those values now more tightly than ever, and we at Independent Age intend to do just that.

We strongly believe our work is ever more important given the context of the pandemic, with 12 million people over 65 living in the UK. This number is set to grow significantly over the next 50 years. In fact, 2020 is the first year when there are more over 65s than under 5s alive globally.

Growing older can be wonderful. The opportunity to live the life you choose – to travel, to spend time with family and friends or to pursue new interests. However, and even before COVID-19, growing older is not by any means wonderful for everyone.

People in the UK are living significantly longer than when Independent Age was founded in 1863. Improvements to life expectancy over the last decade have stalled and even declined for the poorest 10% of women. There is now a five-year health gap in life expectancy between people living in wealthy areas such as some parts of London and others living in deprived areas like the North East.

Many people find that those extra years are not all they'd hoped for, with an average 13 years of their later life spent in poor health. 1.9m over 65 are living below the poverty line and 1.2m are chronically lonely.

Our ageing population poses challenges for our society. These include how we organise our health and care services, or ensure high streets and leisure activities meet their needs. But also, so many opportunities – how can we harness all that wisdom and experience?

It was this fascinating and complex picture that drew us to Independent Age and the Campaign to End Loneliness which we host and co-fund.

The charity had evaluated its impact and decided to refine and develop what it was doing. It went through a lot of internal change in 2019, before we arrived. Neither of us was fazed, as we both joined the charity with a great deal of organisational change management experience.

We are thoroughly excited by the opportunity to set a clear new strategic course that ensures we use our resources wisely to maximise our impact. Since joining we have already made some bold moves forward: appointing three permanent Directors through internal promotion and introducing short-term senior leadership support with the specialist skills and expertise to drive forward a change programme cost-effectively. We are also delighted to welcome six new Trustees to the Board, again bringing new skills, experience and energy to the charity.

It has been inspiring to get to know Independent Age and to see the difference we already make to so many people's lives through the dedication, compassion and kindness displayed by our staff

and volunteers. We've also been impressed by the thoughtful development of the charity's policy and influencing activity and look forward to supporting this further in the future.

This report includes some of the highlights from the past year before we arrived, along with an introduction to the strategic work underway. But we do want to emphasise our grateful thanks to Dr Justine Frain, our outgoing Chair, Shān Nicholas, who was interim Chief Executive, and our Board members, all of whom spent huge amounts of time and energy in putting in motion a far-reaching programme to transform how we operate to deliver greater impact.

Our promise is that by the end of 2020 we will have a new strategy in place and be on course to deploy our resources and reserves cost effectively. Supporting communities, decision makers and individuals to make sure later life is something worth living for. Making the positivity and potential that comes with age and experience inspiring for all. We look forward to working with you all.

Deborah Alsina MBE
Chief Executive

Baroness Neuberger DBE
Chair



“
*Our ageing population poses challenges for our society...
But also, so many opportunities.*

Highlights from 2019

Throughout 2019 we've provided knowledge, confidence and opportunities to make life-changing decisions and life-enhancing friends. We've continued to fight loneliness through our campaigns and friendship services, and demanded free personal care for all older people.

Let's Get Personal campaign

We produced two hard-hitting reports and talked to thousands of older people across the country to find out what they want from an improved social care system, and to gain support for free personal care. This led to a parliamentary reception encouraging MPs from all parties to come out in support of our Let's Get Personal campaign.

General election

During the 2019 general election we produced materials that enabled thousands to question their candidates and find out their views on the social care system and Pension Credit. Multiple political parties included manifesto commitments to improve the problems highlighted.

Volunteering

Our volunteers made more than 50,000 visits and calls to people in 2019.

"You don't really realise that a young person will be interested in volunteering to visit an older person, or someone like me who is also disabled. A lot of people don't think an old person is somebody. Kate is different. She is such good company."
Valda, 93



Reconnections

Reconnections is a new service that aims to connect volunteers to people at risk of being cut off in their communities, matching those with similar interests, experiences and goals. In 2019, two local authorities in England signed up to our pilot, which we will monitor during 2020.

Above: Valda, 93, with her volunteer visitor, Kate

Right: A day out at one of Worcestershire Reconnections delivery partners, Simply Limitless



Left: Patricia and Margaret delivering the free personal care petition to Downing Street

Middle: Supporter participating in Run the One in Victoria Park, July 2019

Bottom: Heather, Kura call centre employee, in Glasgow



Information and advice

In 2019, we answered 80,539 calls to our free helpline. This resulted in our advice team completing 3,000 benefits checks for older people, to help tackle an estimated £3.5 billion in Pension Credit unclaimed each year. We also distributed more than 600,000 information guides.

Credit Where It's Due campaign

Three thousand campaigners contacted their MP and 1,600 responded to our survey about the barriers to claiming Pension Credit. This secured a prime minister's question and a Westminster Hall debate. In addition, the Scottish National Party made a manifesto commitment to increase Pension Credit uptake.

Regular donors

We launched the Friday Flutter weekly lottery and continued to promote Sponsor a Friend, to grow our base of committed regular givers to almost 10,000.



Left: Jacoba Oldham, National Wellbeing Manager, speaking at the Chatsworth House legacy event, June 2019

Above: Victor, 101, at his care home with volunteer Trevor



Legacies

We held two legacy events, which gave us the opportunity to engage with more than 70 supporters. Our legacy activity resulted in 65 new enquiries and 19 new pledges. This will help to increase our income from gifts in wills, which was £0.9 million in 2019.

Challenge events

The number of people raising money for us through events tripled from 2018 to 2019. More than 350 people took on 22 challenges for us, including a record team in the London Landmarks Half Marathon, raising £89,000.

Corporate partnerships

In 2019, we welcomed five new corporate partners and raised a total of £110,000 through businesses, their employees and customers. This included support from Barclays, Cosy Club, Fittleworth, Pension Insurance Corporation and Advent of Change.

Trusts and foundations

We were delighted to receive the continued support of charitable trusts and foundations, which awarded 138 grants to Independent Age in 2019, generously donating £168,000 to help older people stay independent.

“

Being a volunteer gives you extra oomph.

Martin, 99, telephone volunteer

Strategic report

Progress against 2019 strategic objectives

Over the past year, we've listened to what people have to say about growing older in the UK today.¹ While this tells us that people in their early to mid-70s are more satisfied with life than any other age group,² the evidence also shows that many face significant challenges, which are set to increase as more of us live longer.



Social connections

There are 1.2 million chronically lonely older people in the UK.³

With more than 2.2 million people aged 75 and over living alone, it's no wonder one in five people in later life are concerned about loneliness and isolation.⁴

Our volunteer work is about making good friendships. What starts as two strangers having a chat soon transforms into two genuine friends. More than two-thirds of those using our friendship services in 2019 said they felt happier, less worried and less lonely. Working together with local partners, we wanted to create a safe and supportive environment for older residents to reconnect with their community, make new friendships and rekindle their love of life.

The result is Reconnections, where an initial pilot proved not only to be a huge hit for all involved, but demonstrated the difference that can be made through earlier intervention. Thanks to this initial success and the generosity of our partners, we will continue to pilot Reconnections in two locations in England in 2020.



Campaign to End Loneliness

There are nine million lonely people in the UK and four million of them are older people. Of these, many find constant loneliness hardest to overcome. They lack the friendship and support we all need.

Those at the Campaign to End Loneliness are experts in the field of loneliness and connection. Founded in 2011, the campaign shares research, evidence and knowledge with thousands of organisations and the public to make a difference to older people's lives.

The campaign adopts a coalition approach, driving social and systemic change right across the UK. It connects governments, academics, health and social care professionals, policymakers and individuals to deliver practical and user-driven solutions. Be More Us, the campaign's public movement to encourage more social connections, reached more than 13 million people in 2019.

In 2020, the campaign, which is convened by Independent Age, started the final year of funding from the National Lottery Community Fund (£2.65 million over four years).

¹ Independent Age and YouGov Listening Project, 2019
² The State of Ageing 2019, Centre for Ageing Better, 2019
³ The facts on loneliness, Campaign to End Loneliness; No one should have no one, Age UK, 2016

⁴ Perennials: the future of ageing, Ipsos MORI and Centre for Ageing Better, 2019



Health and care

More than half of people over 65 have at least two chronic health conditions.

Why, when health and care support should be available for all, are 1.4 million older people left unable to do the most basic things – such as washing, dressing and even getting out of bed?⁵

We know first hand the size of the problem. Our helpline dealt with more than 70,000 enquiries in 2019, a quarter of which were about access to social care.

As demand continued to increase for advice and information on health and care issues, our groundbreaking report, A Taxing Question, developed with Grant Thornton LLP, set out several budgeted policy options for personal care. It made waves at the annual political conferences and headlined in a House of Commons briefing in 2019. As a cross-party recommendation, it was included in the Labour Party manifesto in 2019; and we're continuing to pressure Conservative policymakers thanks to our Let's Get Personal campaign, calling on government to deliver free personal care for all over the age of 65.



Ageism and discrimination

Findings from research link ageism to decreasing longevity, poorer quality of life, compromised social relationships, risky health behaviours, mental illness, cognitive impairment and physical illness.⁶

We are living in unprecedented times: birth rates are falling and more of us are living for longer than ever before. But as successive governments have chosen to ignore this huge demographic shift in society, the challenges it brings have intensified.

COVID-19 has shown that our NHS and care services are not well set up to cope. To limit the spread of the virus, we have all faced significant restrictions. However, the narrative and decision-making around the over-70s is frequently ageist and discriminatory – for example, around access to treatment.

We must urgently combat growing signs of ageism and discrimination in our society. The over-70s are not one homogenous group, nor should they be seen as a burden on our health and social care resources. The big issues affecting older people are the same affecting all generations: money, housing, transport, health, discrimination and loneliness.

As we progress, let's be judged by how we support each other at every stage of life.



Financial security

Two million older people live in poverty and this is more likely to be the case for single women, ethnic minorities and the over-80s.

We're living longer and that costs money. While some people are able to keep working into their later years, for others a long retirement can mean merely surviving.

In the UK today, two million pensioners live in poverty and this figure is increasing.⁷ More than 20% of people aged 55–65 have health problems that affect their ability to work.⁸ And if you're older and non-white, single or in rented accommodation, you're at even more risk of falling into poverty.⁹

With an estimated £3.5 billion in Pension Credit unclaimed each year, we set our sights on raising public awareness and pushing government to do more. Our 2019 campaign resulted in the distribution of 54,502 money advice guides, including our ever-popular Moneywise, and contributed to £63.8 million being identified by individuals using our new online benefits calculator.

The campaign also resulted in more than 22,103 calls to our free helpline where we identified a significant gap in requests being made for Pension Credit by those most in need of financial support. This insight is helping us to refocus marketing activity in 2020.

Tom, 71

"I have osteoarthritis in my hands, lung disease and incontinence. My wife has to help me through the day and every night. She now has osteoarthritis and damaged her wrist. It was hard before, now it's almost impossible.

I saw an Independent Age guide on Attendance Allowance and rang your helpline. The adviser was very friendly and helpful. I followed her advice and we're now getting more money.

We've managed to get a new washing machine and tumble dryer and this has helped us so much. We can afford extra sheets to change the bed every day. We can heat the house. The difference is amazing. We feel so much better, we can even get out a little bit. Everyone should know about your helpline."



⁵ Age UK, 2018

⁶ Review of 422 studies across 45 countries 1970–2017, Yale University, 2019

⁷ Households Below Average Income 2017/18, Department of Work & Pensions, 2019

⁸ The State of Ageing in 2019: Adding life to our years, Centre for Ageing Better, 2019

⁹ The State of Ageing in 2019: Adding life to our years, Centre for Ageing Better, 2019; Unsuitable, insecure and substandard homes: The barriers faced by older private renters, Independent Age, 2018

Progress towards 2020–25 strategic objectives

As we enter a new decade where uncertainty prevails – from meeting the needs of our rapidly ageing population to the seismic changes facing the UK from leaving the European Union and the aftermath of the COVID-19 pandemic, our aim is to build on our strong foundations, with a view to being even more ambitious for older people. Financially, COVID-19 presents us with some immediate challenges regarding investment performance and the external fundraising environment but overall our balance sheet remains strong and we continue to take a long term view. We will therefore continue to build by working closely with people, partners and organisations that share our vision, values and goals.

How we collaborate to deliver greater impact

- Challenging and supporting organisations to improve practices that discriminate against older people.
- Making sure older people have the information and advice they need.
- Improving the quality of life for older people through partnership and community activities.

How we collaborate to influence decision makers

- Challenging negative stereotypes so society embraces positive ageing.
- Developing our policy evidence and expertise.
- Campaigning to improve the quality of life for older people by influencing decision makers.
- Enabling, empowering and supporting older people and our partners to make change happen.

How we collaborate to tackle sustainability

- Diversifying our income to meet growing demand.
- Deploying our resources and reserves to maximise the difference we make.
- Taking an ethical approach and reducing our environmental impact.

How we engage greater public support

- Making sure people know who we are and what we do.
- Increasing the number of people and partners inspired to give support, collaborate with us or ask for help.
- Maintaining our national voice while increasing our local presence.
- Building strong emotional connections with individuals and communities to accelerate change.

How we create a culture of collaboration to deliver excellence

- Using shared insight and evidence to drive our work forward.
- Inspiring and empowering our people to connect more with older people to make a real and lasting difference.
- Creating the right tools and governance to enable our people to succeed.



Always respond to people with kindness.

Ivy, 91



I've always had a special relationship with my grandparents, and the Independent Age helpline gave me fantastic advice when I needed information for my wife's mother and her husband. When I saw the charity had spaces for the London Marathon, I thought it was too good to be true.

Craig, marathon runner

Governance structure and management

Governance structure and management

Under the guidance of our new Chair, Baroness Julia Neuberger DBE, new Chief Executive, Deborah Alsina MBE, and our Trustees, we continue to review and improve our governance in line with the Charity Code of Governance 2017.

Our charitable purpose

Our charitable purpose is set out in the Royal Charter 1911 (otherwise known as our charitable objects). It is to assist and provide relief to older people in need by reason of ill health, disability, financial hardship or other disadvantage. The charity may also assist and provide relief to others in need by reason of ill health, disability, or social or financial hardship. The charity's work includes the Campaign to End Loneliness and responsibility for its governance.

Legal structure

Independent Age is the operating name of the Royal United Kingdom Beneficent Association (RUKBA) – registered as a charity by the Charity Commission for England and Wales (210729). The charity was established in 1863 and is incorporated by Royal Charter, which sets out our objects, powers and bye-laws.

The latest Supplementary Royal Charter came into force in August 2014. In February 2017, the charity was registered with the Office of the Scottish Charity Regulator (SC047184).

All financial regulations and procedures adopted by the charity must comply with the relevant stipulations of the Royal Charter. These cover matters such as:

- limitation on private benefits for Trustees, such as paid employment with the charity
- terms of office
- arrangements for the appointment of external auditors.

The Campaign to End Loneliness operates as a department within Independent Age, with a widely drawn Management Committee reflecting the strength of the coalition of like-minded organisations that support its work. The campaign has no legal identity separate from that of Independent Age and the Trustees of Independent Age are legally responsible for the activity of the campaign.

Independent Age is the sole legal member of Counsel and Care for the Elderly, a charitable company limited by guarantee registered in England and Wales (charity number 203429, company number 00645708). The charity is also responsible for a number of other linked charities, namely the F E Cobbold Trust Fund, Backsettown Endowed Charity, and the Wharton & Wittrick Fund.

The charity has a wholly owned trading subsidiary – Independent Age Enterprises Limited (company number 04735201).

The company is used to transact non-charitable activities and has been registered for VAT. The company was dormant in 2019.

The results of Independent Age Enterprises Limited are not consolidated because actual expenditure or financial impact of this subsidiary are immaterial in the context of the charity. Details of Counsel and Care for the Elderly can be found on the Charity Commission website; a summary of results is shown in Note 20 to the Financial Statements. Summary trading results for Independent Age Enterprises Limited are shown in Note 12 to the Financial Statements.

Our Trustees

The Independent Age Board of Trustees meets five times a year and is responsible for overseeing our performance and providing strategic direction.

Richard Anderson (from March 2020)

Lucy Blythe (from March 2020)

Karen Byrne (from December 2019)

Michael Craston

Karl Demian (from December 2019)

Vivienne Dews

Prof Martin Green OBE

John Hannaford (Treasurer)

Simon Inchley

Lorraine Lander (from February 2020)

Baroness Julia Neuberger DBE
(Chair, from October 2019)

Amit Patel (from December 2019)

Dame Helena Shovelton

Tracey Bleakley (until January 2019)

Dr Justine Frain (until October 2019)

Estelle McCartney (until December 2019)

Paul Richardson (until October 2019)

James Steel (until July 2019)

Committees

At 31 December 2019, the Board had 10 Trustees.

Charter Members elect all Trustees, except the Chair and Treasurer, who are elected by the Board of Trustees from their number.

The Board periodically appoints new Charter Members. The Board met five times in 2019, including a strategy awayday in July.

There are three committees that have delegated authority and report to the Board. These are:

Services Development Committee (SDC)

Responsible for oversight of the development and growth of our services in support of our strategy. The SDC met six times during 2019.

Finance and Resources Committee (FRC)

Reviews budget and planning proposals and ensures that we have effective arrangements in place to safeguard and manage the charity's resources. It also oversees our statutory reporting, pensions, internal and external audit, people, organisational development, IT and risk management arrangements. The FRC meets at least quarterly. It has one sub-committee, the Investment Sub-Committee.

Nominations and Remuneration Committee

Reviews the structure, size and composition of committees of the Board and sub-committees, as well as succession planning of Trustees. It also makes recommendations to the Board for the appointment of all new Trustees and the Chief Executive.



Leonard, 82

"We'd been married for 58 years when Kay died. She'd been poorly for years and I'd looked after her. Now, I don't know what to do. I feel as if I'm at the bottom of a big hole. Part of me has gone.

Night times and mornings are the hardest. When my mind is all over the place, just knowing there's someone out there to talk to about what you're feeling inside has made such a difference."



Brian, 82

"I'm by myself. At one stage my leg got really bad and I couldn't even walk to the shops. It's hard spending all my time on my own. I'm a people person. Being on my own, I miss talking. I'm not afraid to tell you that I was lonely.

That's when my daughter contacted Independent Age. Now I have a guy called Ian who's an Independent Age volunteer who rings me up every week. Ian has inspired me. His calls give me something to look forward to, hearing what he's been up to and telling him about my life. Knowing that Ian will ring makes life that bit easier."



My calls from Ian help me – they give me such a boost.

In addition to the above committees, there is one sub-committee of the FRC:

Investment Sub-Committee (ISC)

Monitors the performance of the charity's investments and managers and makes recommendations in respect of the investment strategy. The ISC meets at least quarterly.

The Board reviews the terms of reference of all committees and sub-committees annually.

Trustees are recruited by the Board through an open recruitment and selection process.

All Trustees receive an induction pack and training, so that they are aware of all key policies and procedures, and meet with key staff (including Directors) soon after they are co-opted to the Board. Trustees are required to abide by our code of conduct, including the declaration of other interests, and fit and proper person assurance.

Management

The Board delegates day-to-day management of the charity to the Chief Executive and the Senior Leadership Team (SLT). The SLT develops strategies and plans for the Board to scrutinise and approve. The Board subsequently monitors and reports on performance against targets.

Remuneration of key management personnel

The Trustees consider that the Board of Trustees and the SLT comprise the Key Management Personnel of the charity, in charge of directing and controlling, running and operating the charity on a day-to-day basis.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Note 20 to the Financial Statements.

The charity benchmarks remuneration of its SLT against comparable roles in other charities of a similar size and complexity. If recruitment has proven difficult in the recent past, a market addition may be paid to a maximum no greater than the highest benchmarked salary for a comparable role. SLT salaries are reviewed annually as part of the pay and reward review process for all our employees. Any salary increase is paid at the same rate as applied to all other eligible staff in the charity.

Volunteers

We have a network of more than 1,500 committed volunteers across the UK, adding incredible value to our work in a range of roles. They work alongside staff, out in the community and directly with the people we support.

- Through regular visits, our volunteer visitors make a real difference over a cup of tea and a chat. Over time they build a friendship the person and the volunteer can both enjoy.
- Our telephone volunteers enjoy regular catch-ups over the phone with the person they're matched with. Their calls bring joy as they discover common ground.
- Our local ambassadors spread the word about our services and champion our cause. They play an important role in helping to raise our profile in their local communities.

Our volunteers get involved in assessing the needs of those who use our services, training and supporting their fellow volunteers, and helping out teams in our offices. We simply couldn't manage without them.

In return, they get to boost their skills, their confidence and, for those of working age, their CV. They also tell us how much they love being involved.

Fundraising

Raising vital funds

Creating a society where older people can live their best lives is something everyone can play a part in. To make sure we are able to meet the significant challenges growing numbers of older people face, we want to inspire people to support us in whatever way they can.

Given that we didn't receive any direct government funding in 2019, other than Gift Aid, we rely on the generous support of individuals, charitable trusts, companies and community groups to help us expand our public campaigns and essential support for older people, their family, friends and carers.

In 2019, we generated £3.6 million in voluntary income and invested £3.4 million in our fundraising activity. This provided an overall return on investment (ROI) ratio of 1.06:1.

This result was planned as we continue to invest in a long-term fundraising strategy. 2019 was the second year of investment in a seven year strategy to deliver sustainable voluntary income. Return on investment is projected to improve as the programme matures and our supporter base grows.

COVID-19 means that our investment in fundraising and other sources of income is more important than ever. We will therefore review our strategy to ensure that we can continue to support older people through the crisis and for years to come afterwards.



Days would go by and I wouldn't see anybody, especially in the winter.

Audrey, 75

We are immensely grateful to everyone who has supported us over the past year

- Thousands supported us through a regular monthly gift, a cash gift or a gift in their will, including legacy donations of £0.9 million.
- More than 350 supporters took on a sponsored challenge, including the Great North Run and the Virgin London Marathon, and more than 100 runners completed the London Landmarks Half Marathon on our behalf.
- We received fantastic support from the Pension Insurance Corporation as their Charity of the Year, as well as continued generous support from investment company 3i and new partners Waitrose, Cosy Club, Fittleworth and Barclays.
- We continued to benefit from the support of several trusts and foundations, including the John Laing Charitable Trust, which will fund roles in our new Reconnections service for three years from 2020.

While these gifts come in all shapes and sizes, every pound really does help us to reach out and support those who need us.

Our approach to fundraising

Independent Age is committed to following best practice and complies with all fundraising regulations. We subscribe to all relevant fundraising regulatory bodies, including the Fundraising Regulator, the Lotteries Council, the Institute of Fundraising and the Information Commissioner's Office. All our partner agencies adhere to their relevant regulations.

We work with a number of specialist partner agencies and suppliers to enable us to deliver our fundraising offer. These specialist partnerships are essential to raising income to fund our vital work with older people.

These agencies include:

Campfire Marketing

We work with Campfire on the strategic delivery of our individual giving campaigns. With their support, this year we evolved our Sponsor a Friend and Friday Flutter initiatives, as well as creating new legacy gift propositions, new donation pages on our website and a new Christmas Appeal.



Kathryn van der Kroft, Communications Director, 3i Group

"We're delighted to support Independent Age. 3i's charity work focuses on multiple areas including tackling the social isolation of elderly people, so Independent Age's work matches this aim perfectly. Their guides and outreach work provide a vital lifeline for elderly people, helping them to remain independent, and their campaigning ensures the government continues to focus on the needs of the elderly."

Gilcore, REAL Fundraising, Urban Leaf and Smile Fundraising

These agencies work with us on our face-to-face fundraising campaigns. In 2019, they helped us recruit more than 5,000 new regular donors.

The Good Agency

This agency helped us to develop and refine our approach to mass participation fundraising events.

Woods Valldata

This agency worked with us on our lottery product, the Friday Flutter, and is our licensed external lottery manager.

How we monitor fundraising activity

Independent Age and its agencies' monitoring guidelines include:

- regular meetings
- monitoring of performance, risk and complaints
- training
- observing and shadowing
- keeping senior management and Trustees informed of performance
- regular consultation with other charities and regulatory bodies
- due diligence and data protection clauses in contracts.

Complaints

We received 61 complaints in 2019 (0.0001% of the total number of members of the public approached over the year), compared to 103 complaints in 2018. All complaints were resolved. We ensure that we learn from all complaints and use them to improve our practice.

We are especially aware that some supporters we come into contact with may be vulnerable or in a vulnerable situation. We therefore have a Supporters in Vulnerable Circumstances policy and are committed to providing appropriate support to vulnerable supporters and members of the public.

All our face-to-face partner agencies that communicate with new or existing supporters are required to adhere to our policy and also have their own Vulnerable Person policies in place. Before working with any agency, we review their policy and attend all fundraiser training that covers talking to vulnerable people.

We always respect the privacy of supporters and potential supporters. We adhere to the EU's General Data Protection Regulation and our privacy policy is available on our website at www.independentage.org/our-privacy-and-cookies-policy

Priorities for 2020

We aim to inspire many more supporters and partners to join us in changing the lives of older people today and in the future. This includes new ways of making one-off or regular donations, and participating in fundraising events and partnerships with more companies and funders that recognise the challenges facing older people across the UK.

Managing risk

We have a risk management process that allows the Board to monitor and manage risks to the charity, which, in outline, is as follows:

- **preventable risks:** managed through the operating risk register
- **strategic risks:** considered as part of the planning and budgeting process, and the key themes are set out below
- **external risks:** primarily considered through the strategic planning and budgeting processes by considering potential scenarios.

The following commentary outlines the strategic risks that, in brief, are those risks that could prevent us from achieving the impact we want: for example, if our delivery is ineffective or the organisation becomes unsustainable through poor use of resources or reputational damage.

Strategy and leadership

To be impactful, the charity needs to have a clear strategic focus and objectives. This is achieved through setting a strategic framework, multi-year business planning and the annual planning and budget cycle.

People and culture

Everything we do is dependent on our staff and volunteers, and is for the benefit of older people. We invest in training our people, use staff engagement surveys, and monitor turnover and sickness to help ensure we retain and develop our people. We ensure our delivery is safe through the implementation of safeguarding and whistleblowing policies, procedures and compulsory training, plus effective management of our staff and volunteers.

Financial sustainability

Our financial resources need to be invested and managed in such a way that allows us to maximise impact while remaining financially sustainable for the future. This risk is managed through our reserves and investment policies, and financial planning and reporting processes. There is oversight by the relevant Trustee committees of internal control and investment management, and this is supported by an independent assurance programme.

Compliance and infrastructure

We must meet our regulatory obligations in a broad and fast-changing landscape to steward our assets responsibly and protect everyone who interacts with us. We do this by investing in our business systems, policies and procedures, and reviewing them regularly to ensure they remain fit for purpose.

“
Pension Credit
means I can afford
birthday cards for
my grandchildren.”

Eve, 80

Statement of financial activities

Results for 2019

The Consolidated Statement of Financial Activities on page 32 sets out the financial results as required by the Accounting and Reporting by Charities: Statement of Recommended Practice (Financial Reporting Standard 102). Overall, the year saw a £4.3 million increase in reserves, primarily as a result of gains on investment assets of £14.2 million helping to offset planned investments in increasing our charitable expenditure and growing our voluntary income. A simplified presentation of the financial outcome by activity follows.

	2019 £000	2018 £000
Net voluntary income	213	2,568
Charitable activities		
Information and Advice	5,394	4,272
Wellbeing	4,810	4,308
Campaigning	4,666	4,153
	14,870	12,733
Regular Payments and Grants	17	1,403*
Expenditure on Charitable Activities	14,887	14,136
(Deficit) before returns from investments and pension gains/losses	(14,674)	(11,568)
Net investment gains/(losses) and Income	19,469	(3,684)
Net pension (loss)/gain	(465)	685
Net Movement on Reserves	4,330	(14,567)

*The 2018 expenditure on regular payments and grants includes a one-off increase in the grant provision to ensure our obligations to our annuitants have been fully provided for.

Net voluntary income

Our net voluntary income position reflects the planned investment we are making in growing our supporter base. We have invested heavily in our long-term fundraising strategy, which we expect to generate a sustainable positive return on investment from 2021 onwards.

	2019 £000	2018 £000
Donations	1,551	970
Income from Trusts	918	948
Legacies	909	3,031
Events	199	94
	3,577	5,043
Cost of Raising Voluntary Income	3,397	2,487
Other Income	33	12
Net Voluntary Income	213	2,568

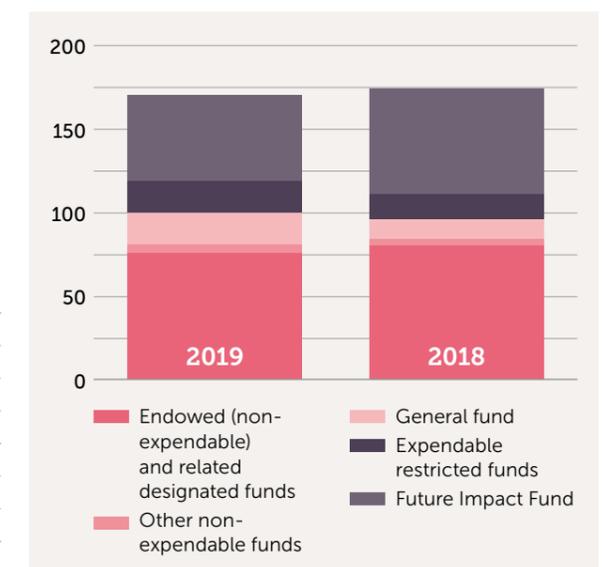
In 2019, our legacy income returned to more typical levels, following an exceptionally generous bequest received in 2018. However, our support from individuals, trusts, foundations and corporates continued to grow. Many thousands of people supported us through a regular monthly gift, and hundreds took up the challenge of a sponsored event. We continue to be grateful to every one of our supporters. Our continued investment to sustainably grow our voluntary income is critical to the impact we can make on the lives of older people today and in the years to come.

Expenditure on charitable activities

2019 saw an increase in expenditure on charitable activities of 5% from £14.1 million in 2018 to £14.9 million in 2019, helping us to make a difference in the lives of older people, as described elsewhere in this report. Our charitable expenditure accounted for 80p of every £1 of spending in 2018, compared to 83p in 2019, reflecting our increased investment in income generation.

We paid £1 million (2018: £1.1 million) in regular payments to older people. We do not enter into any new regular payment arrangement and no longer run a grants programme. The number of annuitants at the end of the year was 1,239 compared to 1,409 at the end of 2018 (see Note 16 to the Financial Statements for more details on the provision in respect of these obligations).

Reserves (£s millions)



Total funds increased by £4.3 million in the year. The general reserve, which is maintained at a level equivalent to one year's unfunded budgeted expenditure, was decreased by £7.8 million to reflect anticipated spend down of existing restricted funds during 2020. This decrease, together with the exceptional performance from our investment portfolio, has allowed us to increase the Future Impact Fund by £12.7 million. We will invest these funds in growing impact in the coming years, as we move into a new strategic cycle in 2021 and beyond.

Investment income and capital gains and losses

Up to the end of 2019, the charity continued to target an average total return (including both income and capital) on the whole non-cash portfolio of 3.9% per annum above inflation (measured by the Consumer Price Index (CPI)) over rolling periods of five years. Based on opening investments of £168.9 million, we would therefore have expected on average to generate a total return of around £9 million in 2019. Due to the strong performance of global markets during the year, our investment portfolio instead delivered a total return of £19.7 million (£19.5 million including costs), which has allowed us to reverse the negative return of £2.4 million retained in the Unapplied Total Return Fund at the end of 2018. The Trustees recognise that this performance is exceptional and that markets are likely to be more turbulent during 2020. Indeed, the value of our investment portfolio has already been significantly impacted by the fall in markets in response to the COVID-19 pandemic. However, we remain focused on our five-year rolling average benchmark, which at the end of December 2019 stood at 7.2%.

Reserves policy

Independent Age sets its reserves policy using a free reserves approach. Free reserves are the total reserves available less those either endowed or restricted, and also those designated by Trustees for a specific purpose. Independent Age reviews its free reserves policy annually, taking into consideration the major risks faced by the charity, their likely impact on income and planned expenditure, and an assessment of possible actions to mitigate those risks.

Endowment funds

These are permanent endowments and Trustees have elected to maintain their capital value in real terms; the CPI has been adopted as the benchmark. With the exception of funds that are associated with specific properties, the capital on these funds is invested to provide income for charitable activities. The Trustees have adopted a Total Return Investment policy in accordance with the Charity Commission Regulations, so that both capital gains and income from investments can be applied to income. Any investment gains and income above CPI are transferred to the Unapplied Total Return Fund and then used to fund expenditure in the current year or immediate future. The investment policy aims to provide a return of 3.9% per annum above CPI on a rolling five-year basis over the long term. Should any year experience a negative return, as in 2018, a negative balance will be held in the Unapplied Total Return Fund until such time as future returns on the investments eliminate the negative balance.

Restricted reserves

These are funds the charity will spend on activities specified by the restrictions of the fund. Restricted funds are invested until such time as they are utilised and any capital gains or income are allocated to the fund.

Unrestricted reserves

These are funds where Trustees have discretion over how they are used in furtherance of the charity's objects. In accordance with the Charity Commission guidance, some of these funds have been designated to mitigate the charity's financial risks and also to indicate which reserves are held in property and fixed assets and are therefore not available as 'free' reserves. The designations the Trustees have made are as follows:

The Endowment Funded Activity Protection Fund:

There is a risk that the endowed investments will generate short-term negative returns while still remaining on target to meet the rolling five-year benchmark set by Trustees. This could result in charitable activity being underfunded, potentially for a number of years, as a result of market volatility. Having taken professional advice, which included modelling

the impact of previous falls in markets and the Value at Risk (VAR) of the investment portfolio, the Trustees have designated a fund equivalent to 35% of endowments to mitigate this risk. This fund may be used to cover the gap in funding charitable activities until any deficit arising on the Unapplied Total Return Fund is eliminated.

General Fund: Having reviewed the risks to the charity, the Trustees have designated a general fund equivalent to one year's unrestricted charitable expenditure (other than the amount funded by the endowments and protected by the reserve above) to protect the activity of the charity. Trustees consider that this is sufficient to fund short-term falls in income or increases in expenditure due to unforeseen circumstances, while protecting the work funded in future years by the Future Impact Fund.

Tangible and Intangible Fixed Assets Fund and Investment Property Fund: The purpose of these designated funds is to indicate reserves that are not available for expenditure because they are related to property or other capital assets. It is the intention of the charity to realise the value of the investment properties where possible, once the obligations to current tenants have been met in full.

Future Impact Fund: Having set aside amounts to manage the financial risks of the charity, the balance of unrestricted reserves has been designated as the Future Impact Fund to be utilised in the near to medium term to increase our impact. Every day in the UK, older people and their families work hard to make ends meet, battle ill health, and struggle to get good care, support and housing.

Many face endless days, months or even years feeling completely alone. Our ambition is to use this fund, together with growth in voluntary income, to continue to expand the scale, scope and depth of our services, build meaningful relationships with the millions of people who connect with us, and sustainably grow our organisation in a way that supports not just today's older people, but the generations to come.

More detail on the funds is contained in Notes 18 and 19 to the Financial Statements.

Investment Policy

Our Investment Policy provides the framework for the Trustees to manage the investment assets of the charity. This policy reflects both the current level of investments as well as the charity's aspiration to utilise unrestricted funds held in the Future Impact Fund to increase our impact.

The charity utilised £10.6 million of investment capital to fund activities during the year. This was offset by a very strong performance in investment markets, taking the total value of our investments from £168.9 million at 31 December 2018 to £172.5 million at 31 December 2019. The composition of the investment portfolio at 31 December 2019 is set out in Note 12 to the Financial Statements. During the year, the Investment Sub-committee focused on close monitoring of fund managers' performance and investment style in light of the Woodford Equity Income Fund collapse. Also, £8 million was transferred from the Multi Asset Credit Fund to the BlackRock Fund to maintain a balance of around 18 months of operational cash flow requirements in quoted liquid funds in line with our investment strategy. This approach is designed to minimise the risk of liquidating assets at an undervalue when markets fall. The Trustees believe that it is their duty to ensure that the charity's investment policy and decisions are designed to achieve the best return that is consistent with an acceptable level of risk. The charity requires its investment managers to manage the investments in a responsible manner and to maintain an active voting policy on behalf of the charity whenever possible.

Summary statements for the Campaign to End Loneliness and Independent Age

The results of Independent Age include those for the Campaign to End Loneliness. Independent Age hosts the campaign, manages and employs its staff and maintains oversight of the delivery of its strategy, which, for accounting and charity regulatory purposes, constitutes control. Given the discrete funding of this activity and the relationship with its supporters, the following table summarises the financial activities of the campaign.

	2019			2018		
	Campaign to End Loneliness £000	Independent Age* £000	Total Charity £000	Campaign to End Loneliness £000	Independent Age* £000	Total Charity £000
Summary Statement of Financial Activities						
Income	858	8,190	9,048	730	8,927	9,924
Expenditure	1,102	17,361	18,463	1,268	15,108	16,643
Operating deficit	(244)	(9,171)	(9,415)	(538)	(6,181)	(6,719)
Gains/(losses) on investment assets	-	14,205	14,205	-	(8,459)	(8,459)
Net Income	(244)	5,034	4,790	(538)	(14,640)	(15,178)
Other recognised (losses)/gains	-	(465)	(465)	-	691	691
Net movement in Funds	(244)	4,569	4,325	(538)	(13,949)	(14,487)
Transfer of funds	268	(268)	-	414	(414)	-
Balance brought forward 1 January	74	169,923	169,997	198	184,286	184,484
Fund balances carried forward at 31 December	98	174,224	174,322	74	169,923	169,997
Summary Balance Sheet						
Fixed assets	-	177,044	177,044	-	173,580	173,580
Current Assets	512	4,688	5,200	501	5,152	5,653
Creditors falling due within one year	(414)	(1,789)	(2,203)	(427)	(2,438)	(2,865)
Total assets less current liabilities	98	179,943	180,041	74	176,294	176,368
Creditors falling due after one year	-	(6,001)	(6,001)	-	(7,137)	(7,137)
Net assets excluding pension liability	98	173,942	174,040	74	169,157	169,231
Defined pension asset	-	282	282	-	766	766
Net assets including pension asset	98	174,224	174,322	74	169,923	169,997
Endowed funds	-	59,168	59,168	-	56,025	56,025
Restricted funds	98	15,373	15,471	74	18,579	18,653
Designated funds	-	87,965	87,965	-	75,831	75,831
General funds	-	11,718	11,718	-	19,488	19,488
Total Funds	98	174,224	174,322	74	169,923	169,997
Summary Cashflow						
Operating (expenditure)/income	(244)	5,034	4,790	(538)	(14,640)	(15,178)
Non cash movements	77	(19,518)	(19,441)	376	1,346	1,722
Net cash flow (used) by operating activities	(167)	(14,484)	(14,651)	(162)	(13,294)	(13,456)
Net purchase of tangible fixed assets	-	(14)	(14)	-	(79)	(79)
Net proceeds from sales of assets held for sale	-	722	722	-	-	-
Net sale of investments	-	10,591	10,591	-	9,222	9,222
Net income from investments	-	5,486	5,486	-	5,088	5,088
Transfer of funds	268	(268)	-	414	(414)	-
Net cash flow	101	2,033	2,134	252	523	775
Cash and cash equivalents at 1 January	455	1,052	1,507	203	529	732
Cash and cash equivalents at 31 December	556	3,085	3,641	455	1,052	1,507

*For the purposes of this table, Independent Age represents the Charity's activities excluding the Campaign to End Loneliness. It should also be noted that this is a memorandum statement. It does not reflect either the legal or trust accounting status but is used to differentiate between the operational divisions within the charity.

For the purposes of the previous table, Independent Age represents the charity's activities excluding the Campaign to End Loneliness. It should also be noted that this is a memorandum statement. It does not reflect either the legal or Trust accounting status but is used to differentiate between the operational divisions within the charity.

Disclosure of information to auditors

The Trustees in office at the date of approval of this Trustees' Annual Report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware and each Trustee has taken all the steps they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of the information.

Public benefit

The public benefit of the charity is set out in our mission to enable older people to stay independent and live well with dignity, choice and control. Our work benefits thousands of older people – and their families and carers – across the UK. Our helpline and information resources also benefit those who work with older people. All our services are free and without restriction, although our friendship services are specifically provided for older people who are lonely or isolated. In setting our objectives and planning activities for the year, the Board of Trustees confirms that it has considered the Charity Commission's guidance on public benefit and considers that Independent Age clearly satisfies the public benefit test.

True and fair view

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Charities SORP applicable to charities preparing their accounts in accordance with FRS 102 issued on 16 July 2014 rather than the Charities SORP effective from 1 April 2005, which has since been withdrawn.



Julie Wanstall, Chair, Charity Committee, PIC

"Pension Insurance Corporation (PIC) exists to pay the pensions of our policyholders, so, naturally many of our customers are already retired. We are delighted to partner with Independent Age. They are a great fit for PIC, and we love the fact that they want to make the UK a better place to grow old for everyone.

They recently came into our offices and did a fantastic presentation about their telephone service. We heard from an inspiring older person about how she benefitted from phone calls and a volunteer who had learned about life in the Second World War through the older person who she volunteered to help. The event inspired our first volunteers, and we're looking forward to working together to forge a long-term partnership that provides much needed help and support for older people."

We are delighted to partner with Independent Age.

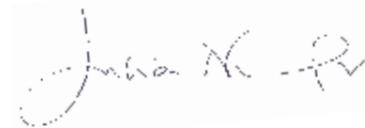
Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law, applicable to charities in England and Wales and Scotland, 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 charity and the group, and of the incoming resources and application of resources of the 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 (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable United Kingdom 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 charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the transactions of the charity and the group, and disclose with reasonable accuracy, at any time, the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) regulations 2006 and the provisions of the Royal Charter. 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.

Approved by the Board of Trustees on 14 May 2020 and signed on its behalf by:

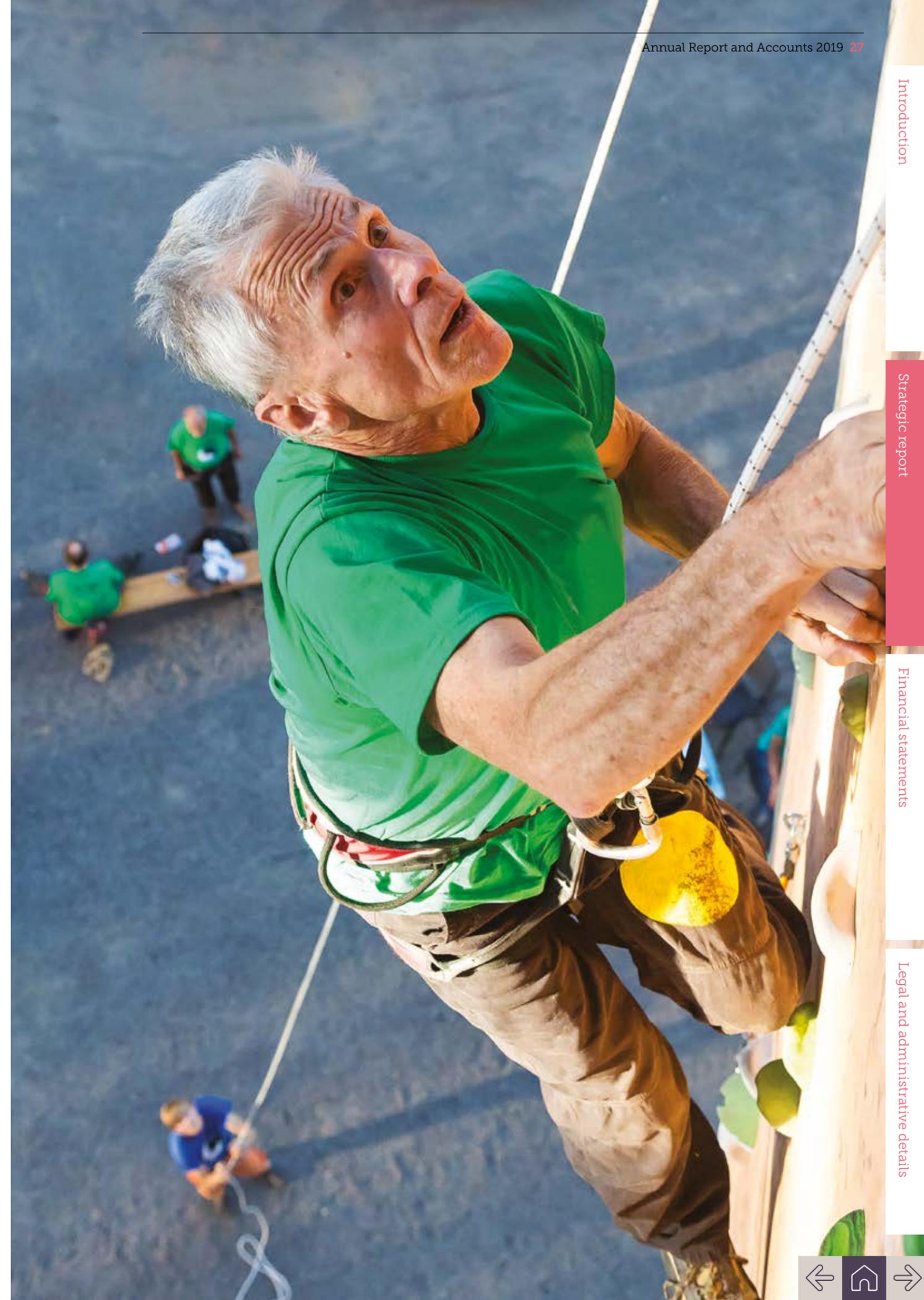


Baroness Neuberger DBE
Chair of the Board of Trustees

“

I was hungry, much in need of food. Receiving Pension Credit is a whole new way of life.

Anisah, 86



Independent auditor's report

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2019, and of the group's incoming resources and application of resources 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 Charities Act 2011 and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 or the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report, or
- sufficient or proper accounting records have not been kept, or
- the parent charity's financial statements are not in agreement with the accounting records, 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 26, the Trustees are responsible for the preparation of financial statements that give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity'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 group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 154 of the Charities Act 2011 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity and the charity's Trustees as a body, for our audit work, for this report or for the opinions we have formed.

MHA MacIntyre Hudson

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditor
6th Floor
2 London Wall Place
London EC2Y 5AU

Date: 6 June 2020

MHA MacIntyre Hudson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

“

Know that there are wonderful people to give you hope.

Jitsiri, 84

Financial statements

Consolidated Statement of Financial Activities

For the year ended 31 December 2019

	Notes	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Year to 31 December 2019 Total funds £000	Year to 31 December 2018 Total funds £000
Income and endowments from:						
Donations and legacies	2	2,453	925	-	3,378	4,949
Raising funds – events		199	-	-	199	94
Investment income	3	2,316	412	2,758	5,486	5,088
Other income		33	-	-	33	12
Total income and endowments		5,001	1,337	2,758	9,096	10,143
Expenditure on:						
Raising funds						
Raising voluntary income	4	3,397	-	-	3,397	2,487
Investment and property management		146	18	58	222	313
Total cost of raising funds		3,543	18	58	3,619	2,800
Charitable activities						
Information and Advice	4	2,630	2,764	-	5,394	4,272
Wellbeing	4	2,466	2,344	-	4,810	4,308
Campaigning	4	3,564	1,102	-	4,666	4,153
Regular Payments and Grants	4, 16	-	17	-	17	1,403
Total cost of charitable activities		8,660	6,227	-	14,887	14,136
Other expenditure						
Pension – net interest cost	17	-	-	-	-	6
Total expenditure		12,203	6,245	58	18,506	16,942
Operating (deficit)/surplus		(7,202)	(4,908)	2,700	(9,410)	(6,799)
Gains/(Losses) on investment assets	12	6,603	1,458	6,144	14,205	(8,459)
Net (expenditure)/income		(599)	(3,450)	8,844	4,795	(15,258)
Transfers between funds	18	5,433	268	(5,701)	-	-
Other recognised gains/(losses)						
Actuarial (loss)/gain on defined benefit pension scheme	17	(465)	-	-	(465)	691
Net movement in funds		4,369	(3,182)	3,143	4,330	(14,567)
Fund balances brought forward at 1 January		95,425	18,653	56,025	170,103	184,670
Fund balances carried forward at 31 December	18	99,794	15,471	59,168	174,433	170,103

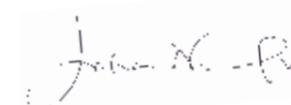
All of the above results are derived from continuing activities. There are no other recognised gains or losses other than those stated above. Notes 1 to 25 form part of the financial statements.

Group and Charity Balance Sheets

As at 31 December 2019

	Notes	Group 2019 Total funds £000	Group 2018 Total funds £000	Charity 2019 Total funds £000	Charity 2018 Total funds £000
Fixed assets					
Tangible assets	8	2,042	2,156	2,042	2,156
Intangible assets	9	70	99	70	99
Investment properties	10	2,300	2,300	2,300	2,300
Investments	12	172,543	168,929	172,543	168,929
Concessionary loans	13	89	96	89	96
Total fixed assets		177,044	173,580	177,044	173,580
Current assets					
Assets held for sale	11	-	715	-	715
Debtors	14	1,609	3,483	1,558	3,431
Short-term deposits		-	86	-	86
Cash at bank and in hand		3,701	1,475	3,641	1,421
Total current assets		5,310	5,759	5,199	5,653
Creditors: amounts falling due within one year	15	(2,202)	(2,865)	(2,202)	(2,865)
Net current assets		3,108	2,894	2,997	2,788
Total assets less current liabilities		180,152	176,474	180,041	176,368
Creditors: amounts falling due after more than one year	16	(6,001)	(7,137)	(6,001)	(7,137)
Net assets excluding pension liability		174,151	169,337	174,040	169,231
Defined benefit pension asset	17	282	766	282	766
Net assets including pension asset		174,433	170,103	174,322	169,997
The funds of the charity					
Endowed funds		59,168	56,025	59,168	56,025
Restricted funds		15,471	18,653	15,471	18,653
Unrestricted funds					
Designated funds		87,965	75,831	87,965	75,831
General fund		11,829	19,594	11,718	19,488
Total unrestricted funds		99,794	95,425	99,683	95,319
Total charity funds		174,433	170,103	174,322	169,997

Approved by the Board of Trustees and authorised for issue on 14 May 2020 and signed on their behalf by:



Baroness Neuberger DBE, Chair

Notes 1 to 25 form part of the financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2019

	Notes	2019 £000	2018 £000
Net cash outflow from operating activities			
Net cash used in operating activities	21	(14,645)	(13,449)
Cash flow from investing activities			
Payments to acquire tangible fixed assets	8	(14)	(72)
Payments to acquire intangible fixed assets	9	-	(7)
Net proceeds on disposal of property held for sale	11	722	-
Payments to acquire investments	12	(33,000)	(127,373)
Receipts from sales of investments and cash transfers		43,591	136,597
Interest received	3	6	105
Dividends received	3	5,421	4,921
Rents received from investment properties	3	59	62
Net cash flow from investment activities		16,785	14,233
Net increase in cash and cash equivalents			
Cash and cash equivalents at 1 January		1,561	777
Cash and cash equivalents at 31 December		3,701	1,561
2019			
£000			
Cash and cash equivalents		3,701	1,475
Short-term deposits		-	86
Cash and cash equivalents		3,701	1,561

Cash and cash equivalents includes £556k (£455k in 2018) of funds held in respect of the Campaign to End Loneliness.

Notes 1 to 25 form part of the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2019

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows.

a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities (Charities SORP) preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued on 16 July 2014) – Charities SORP FRS102, and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Consolidated Statement of Financial Activities and Group Balance Sheet consolidate the financial statements of Independent Age and Counsel and Care for the Elderly (Counsel and Care) – a registered charity (203429), and a limited company (645708). For the purpose of financial statements, Independent Age is deemed to control 100% of Counsel and Care as it is the sole legal member. The results of Counsel and Care are consolidated on a line-by-line basis. The income, expenditure and funds of Counsel and Care can be seen in Note 18 and a summary of results is shown in Note 20.

The Consolidated Statement of Financial Activities and Group Balance Sheet do not include Independent Age Enterprises Limited (IAE Ltd) – a limited company number 04735201. For the purposes of the financial statements, Independent Age is deemed to control 100% of Independent

Age Enterprises Limited being its sole shareholder. However, actual financial impact of this subsidiary is immaterial in the context of the Charity, therefore its results are not consolidated. Summary trading results for IAE Ltd are shown in Note 12.

The net movement in funds of Independent Age, the charity, was £4,325k (£14,487k in 2018).

The charity has been entered on the Scottish Charity Register (Charity Number: SC047184) since 17 February 2017.

Independent Age meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The accounts are presented in Sterling and rounded to the nearest thousand.

b) Fund accounting

Independent Age has a number of discrete funds which are grouped by type as shown below:

Endowed funds

These are funds normally arising as a result of a will which contained restrictions on the retention of the capital value and disposal of any income.

The General Endowment Fund was created by the Supplementary Royal Charter which came into effect on 1 August 2014.

Independent Age is the Managing Trustee of the F E Cobbold, Backsettown Endowed Charity and Wharton & Wittrick Funds. As such the Board of Trustees consider and approve resolutions specific to these Funds as appropriate.

As shown in Note 1 c) below the Trustees are required to maintain the capital of these funds, but they may choose to spend some or all of the Unapplied Total Return – see Note 18.

Restricted funds

These are funds that can be spent, at the discretion of the Trustees, on particular restricted purposes within the objects of Independent Age. Restrictions arise when specified by the donor, as modified by any Charity Commission scheme, or when funds are raised for particular purposes.

Additionally, where assets have been transferred to Independent Age under Charity Commission schemes, and there are restrictions as to the use of the sums transferred, these are treated as Restricted Funds.

Unrestricted funds

These are funds which can be spent in accordance with Independent Age's objects at the discretion of the Trustees.

Designated funds

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Further details of the charity's funds are disclosed in Note 18.

c) Total Return Accounting

Independent Age adopted Total Return Accounting for its permanent endowed funds with effect from 1 January 2015. This adoption is permitted for the General Endowment Fund by virtue of the Byelaws to the Supplementary Royal Charter 2014 and for the other permanent endowed funds through the resolutions relating to the other funds passed by the Board of Trustees in December 2014.

The Trustees have chosen to maintain the capital of the permanent endowed funds in real terms by making a transfer from the Unapplied Total Return equal to the increase in Consumer Price Index (CPI) from the base point to the Balance Sheet date. Any amounts remaining after this transfer in the Unapplied Total Return will be applied to income funds or retained as the Trustees see fit. Any income funds not disbursed in the financial year are retained as Unapplied Total Return. Should any year experience a negative return, a negative balance will be held in the Unapplied Total Return Fund until such time as future returns on the investments eliminate it.

d) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The following specific policies apply to categories of income:

Donations are recognised when the charity has been notified in writing of both the amount and settlement date or on a receipts basis if earlier. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the

charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the estimated amount and probable settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Gifts in kind and donated services 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.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio. This also applies to returns on accumulation units held in pooled funds, which are reinvested by default.

e) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis inclusive of any VAT. The charity is not registered for VAT so is unable to recover any of the tax paid, therefore costs include VAT where applicable.

IAE Ltd is registered for VAT so is able to recover VAT incurred on business activities. Income and expenditure of IAE Ltd is, therefore, accounted for on an accruals basis net of VAT.

Expenditure on raising funds comprises investment and property management fees and the direct costs of raising voluntary income where not included within charitable activities.

Charitable activities comprises direct expenditure, including 20% of the total costs of raising voluntary income invested in generating funds in furtherance of the objects of the charity for information and advice, and a proportion of the support costs.

Support costs include both governance costs and other indirect costs. Governance costs comprise all expenditure relating to public accountability of the charity and its compliance with regulation and good practice. These costs include some legal fees, plus the costs of Trustees' and Charter Members' meetings, the costs of compliance such as audit fees and staff time spent serving the committees. Support costs (including Governance costs) are allocated to the costs of Raising Funds and Charitable Activities on the basis of the numbers of staff engaged in each of these elements. This allocation is reviewed annually.

f) Tangible and intangible assets

Tangible and intangible individual assets costing more than £5,000, including any incidental expenses of acquisition, are capitalised and recorded at cost.

The costs of implementing computer software designed to improve the handling of data within the charity, with a consequent cost savings benefit, have been capitalised as Intangible Assets.

Depreciation/amortisation is calculated and charged to the Statement of Financial Activities on a quarterly basis commencing in the first full quarter after the asset was acquired/came into use.

Depreciation/amortisation is calculated so as to write off the cost of the tangible assets on a straight line basis over the expected useful economic lives of the assets concerned which are taken as:

Tangible assets*Plant and machinery:*

Electrical installations	10 to 25 years
Mechanical installations	10 to 25 years
Architectural components	20 to 30 years
Lift	15 years

The expected useful economic life of each item of plant and machinery has been determined by independent consulting quantity surveyors.

Fixtures, fittings and equipment:

Furniture and fittings	10 to 15 years
ICT hardware	3 years
Office equipment	3 years

Buildings:

Freehold buildings	50 years
--------------------	----------

No value has historically been recorded for freehold land owned by the charity as it cannot be practically measured.

Intangible assets

Computer software	3 years
-------------------	---------

This represents the useful economic life of the assets.

g) Investment properties

The Board of Trustees determined in February 2014 that all property not required for operational purposes should be disposed of at the appropriate time. Prior to sale these properties are treated as investment properties. Investment properties are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date. Fair value is ascertained either by an independent valuer or reference to movements in the market value of similar properties.

Surpluses on the sale of properties are taken to the Statement of Financial Activities as they are realised. Unrealised gains and losses on revaluation of investment properties are shown in the Statement of Financial Activities.

Properties for sale at the Balance Sheet date are reported as Assets Held For Sale within current assets.

h) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value using the closing quoted market price. All gains and losses are taken to the

Statement of Financial Activities as they arise.

The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. As investments are revalued continuously to fair value, no realised gains or losses arise.

The charity does not acquire or hold put options, derivatives or other complex financial instruments.

i) Financial instruments

The charity only holds basic financial instruments. The financial assets and financial liabilities of the charity are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 14. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors are classified as financial instruments, and are measured at amortised cost as detailed in Notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

j) Concessionary loans

These are amounts that were awarded to further the charity's purposes as loans to individual beneficiaries who were leaseholders or freeholders of their property, mainly for household repairs and maintenance. The practice of awarding such loans was ended in May 2014 and no further loans will be made.

A provision for non-repayment is made against the aggregate value of loans issued and is reviewed annually; this has been calculated as 67% (2018: 67%) based on past experience of repayments and on management's current expectations. Loans are written off when there is no realistic prospect of any further recovery and are treated as charitable expenditure. The loans are not subject to interest charges. It is expected that loans will be repaid when the beneficiary has the capital available or from the beneficiary's estate on the death of the member.

k) Regular payments

The estimated net present value of the regular payments to Independent Age's beneficiaries is treated as a long-term liability. The long-term provision is calculated using life expectancy tables to determine the period for which the regular payments may be made. The commitment is discounted using the same discount rate used for defined benefit pension scheme. The movement on the regular payments provision is included within Regular Payments and Grants costs in the Statement of Financial Activities. The movement in the year includes the unwinding of the discount factor used to estimate the current value of future commitments.

l) Pensions

Independent Age operates a defined benefits (final salary) pension scheme, which is closed to new members. The current service costs of the scheme, together with the interest cost less the expected return on assets for the year, are charged to the Statement of Financial Activities within staff costs. The actuarial gains and losses are recognised immediately after net income/ expenditure as other recognised gains and losses. Further details are provided in Note 17.

The assets of the scheme are measured at fair value at the Balance Sheet date. Liabilities are measured on an actuarial basis at the Balance Sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit pension asset or liability is presented separately after other net assets on the face of the Balance Sheet.

Independent Age also operates a defined contribution pension scheme and contributions have been accounted for in the period to which they relate. This scheme has been accredited for the purposes of auto-enrolment.

m) Foreign currencies

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the spot rate on the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the Balance Sheet date are translated using the closing rate.

n) Taxation

Independent Age is a registered charity (number 210729) and as such is entitled to certain tax exemptions on income and profits on investments and surpluses on any trading activities carried on in furtherance of the charities' primary objectives, if these profits and surpluses are applied solely for charitable purposes.

No corporation tax is payable by IAE Ltd as there were no taxable profits made in the year.

2. Donations and legacies

Current year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2019 £000
Donations	1,442	109	-	1,551
Income from Trusts	102	816	-	918
Legacies	909	-	-	909
	2,453	925	-	3,378

Donations include £279,543 of gifts in kind received in the year.

Income from Trusts includes £749,527 (2018: £711,266) in restricted grant funding relating to the Campaign to End Loneliness of which £648,126 was received from the National Lottery Community Fund (2018: £662,501).

Previous year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Restated 2018 £000
Donations	953	17	-	970
Income from Trusts	89	859	-	948
Legacies	3,031	-	-	3,031
	4,073	876	-	4,949

Details of the restatement of the 2018 comparatives are set out in note 24.

3. Investment income

Current year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2019 £000
Fixed interest income	6	-	-	6
Dividend income	2,251	412	2,758	5,421
Investment property rental income	59	-	-	59
	2,316	412	2,758	5,486

Previous year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2018 £000
Fixed interest income	62	11	32	105
Dividend income	2,817	547	1,557	4,921
Investment property rental income	62	-	-	62
	2,941	558	1,589	5,088

4. Expenditure allocations

Current year	Raising Voluntary Income £000	Information and Advice £000	Wellbeing £000	Campaigning £000	Regular Payments and Grants £000	Marketing and Comms £000	2019 Total £000
Staff costs	918	1,184	2,061	1,476	10	1,244	6,893
Non-staff costs	2,758	923	446	700	-	1,718	6,545
Sub total – Direct costs	3,676	2,107	2,507	2,176	10	2,962	13,438
Support costs	570	924	1,546	976	7	823	4,846
Sub total – All costs	4,246	3,031	4,053	3,152	17	3,785	18,284
Reallocation – Fundraising	(849)	849	-	-	-	-	-
Reallocation – Marketing and Comms	-	1,514	757	1,514	-	(3,785)	-
Sub total allocated costs	3,397	5,394	4,810	4,666	17	-	18,284
Investment and property management							222
Pension – Other finance expenditure							0
Total expenditure							18,506

Previous year	Raising Voluntary Income £000	Information and Advice £000	Wellbeing £000	Campaigning £000	Regular Payments and Grants £000	Marketing and Comms £000	Restated 2018 Total £000
Staff costs	630	985	1,832	1,285	7	820	5,559
Non-staff costs	2,080	574	402	856	1,390	1,740	7,042
Sub total – Direct costs	2,710	1,559	2,234	2,141	1,397	2,560	12,601
Support costs	399	847	1,452	768	6	550	4,022
Sub total – All costs	3,109	2,406	3,686	2,909	1,403	3,110	16,623
Reallocation – Fundraising	(622)	622	-	-	-	-	-
Reallocation – Marketing and Comms	-	1,244	622	1,244	-	(3,110)	-
Sub total allocated costs	2,487	4,272	4,308	4,153	1,403	-	16,623
Investment and property management							313
Pension – Other finance expenditure							6
Total expenditure							16,942

Direct Campaigning costs include £813,036 (2018: £854,168) relating to the Campaign to End Loneliness. On behalf of the partnership of all five organisations on the 'management group' Independent Age has taken on responsibility to employ the staff and manage the budget of the Campaign to End Loneliness, which is subject to the charity's financial policies and procedures. This includes monthly reviews of management accounts and reporting to the funders on a regular basis.

Details of the restatement of the 2018 comparatives are set out in note 24.

Support costs	Staff costs £000	Non-staff costs £000	Total 2019 £000	Staff costs £000	Non-staff costs £000	Total 2018 £000
Chief Executive's office	249	46	295	188	54	242
Director of Corporate Services' office	176	114	290	137	97	234
Facilities	209	732	941	84	515	599
ICT	534	705	1,239	453	689	1,142
HR	480	1,111	1,591	579	823	1,402
Finance	288	83	371	267	53	320
Governance	46	73	119	44	39	83
	1,982	2,864	4,846	1,752	2,270	4,022

During the year the Charity engaged the consultancy services of its external audit firm to the value of £6,060 (£2018: £10,500). These costs have been included in the Director of Corporate Services' office non-staff costs.

Governance costs	2019 £000	2018 £000
External audit fees	33	33
Legal and other professional fees	2	-
Trustee recruitment fees	32	-
Trustees' meetings incl. expenses & AGM costs	6	6
Staff costs	46	44
Total Governance costs	119	83

The apportionment of support costs was made pro-rata to the number of staff (FTE) in each of the activity areas. Facilities costs were apportioned pro-rata to head office-based staff only.

The charity indemnifies every Trustee in respect of any liability arising from or in respect of the charity.

5. Staff costs and employee benefits

	2019 £000	2018 £000
Salaries	7,233	5,792
Temporary staff costs	367	405
Employer National Insurance	755	608
Employer pension contributions	520	506
	8,875	7,311
Redundancy and termination payments	294	99
	9,169	7,410

Total remuneration of the Key Management Personnel (which comprise the Trustees with the Senior Leadership Team comprising the Chief Executive and Directors), including pension and National Insurance contributions, was £785,440 (2018: £696,480).

No Trustees received nor waived any remuneration.

Redundancy and termination costs arose due to a restructuring of the charity to ensure we had the right structures in place to deliver our ambitious strategy to increase impact.

6. Average monthly staff numbers

	2019	2018
Information and Advice (including Regular Payments and Grants)	25	22
Wellbeing	49	44
Campaigning	30	23
Fundraising	15	11
Marketing and Communications	23	14
Support	31	24
	173	138

7. Number of employees with total emoluments (excluding pensions) of more than £60,000

	2019	2018
£60,001 – £70,000	11	6
£70,001 – £80,000	7	2
£90,001 – £100,000	1	3
£110,001 – £120,000	3	1
£140,001 – £150,000	1	0
	23	12

Emoluments include the employee's salary and also any redundancy payments made in the year.

8. Tangible fixed assets

	Freehold Buildings £000	Plant & Machinery £000	Fixture, Fittings & Equipment £000	Totals £000
Cost				
As at 1 January 2019	1,215	1,119	444	2,778
Additions	-	-	14	14
Disposals	-	-	(12)	(12)
Total	1,215	1,119	446	2,780
Depreciation				
As at 1 January 2019	99	245	278	622
Depreciation charge in the year	24	56	48	128
Disposals	-	-	(12)	(12)
Total	123	301	314	738
Net book value				
As at 31 December 2019	1,092	818	132	2,042
As at 31 December 2018	1,117	874	165	2,156

9. Intangible fixed assets

	Computer Software £000	Totals £000
Cost		
As at 1 January 2019	649	649
Impairment in value	(29)	(29)
Total	620	620
Amortisation		
As at 1 January 2019	550	550
Amortisation charge in the year	-	-
Total	550	550
Net book value		
As at 31 December 2019	70	70
As at 31 December 2018	99	99

The net book value represents the value of computer software at a development stage.

10. Investment properties

	2019 £000	2018 £000
As at 1 January	2,300	2,300
As at 31 December	2,300	2,300
Historical cost	2,325	2,325

The investment properties were valued as at 31 December 2014 by a combination of external surveyors, use of the RICS Red Book, or comparison to the market values of similar properties. The Trustees are satisfied that, having reviewed available data on market activity in the respective locations, there has been no significant change to the assets' fair value from that date in relation to any of the properties requiring any further revaluation.

11. Assets held for sale

	2019 £000	2018 £000
As at 1 January	715	755
Impairment	-	(40)
Net proceeds on disposal	(722)	-
Surplus on disposal	7	-
As at 31 December	-	715
Historical cost	-	755

During the year the property held as asset held for sale was sold and the surplus on the sale has been recognised in the Statement of Financial Activities.

12. Investments

	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2019 £000	2018 £000
Quoted investments	79,157	15,398	49,001	143,556	150,815
Quoted liquid funds	19,249	-	-	19,249	7,634
Non-quoted investments	-	-	9,738	9,738	10,480
Investments held with fund managers	98,406	15,398	58,739	172,543	168,929

Reconciliation of investments held with fund managers

	2019 £000	2018 £000
Market value at 1 January	168,929	186,610
Additions	33,000	127,373
Disposals	(33,000)	(125,326)
Net unrealised gains/(losses)	14,205	(8,459)
Movement in cash	(10,591)	(11,269)
Market value at 31 December	172,543	168,929
Historical cost at 31 December	156,260	159,271

Investments held with fund managers – analysis by type

	2019 £000	2018 £000
UK equities – FTSE350	35,233	40,788
Global equities	34,850	44,575
Diversified growth funds	45,746	40,867
Infrastructure	9,738	10,480
Multi-asset credit	27,727	24,585
Quoted liquid funds	19,249	7,634
	172,543	168,929

The charity has invested £1 in the share capital of its wholly owned trading subsidiary.

Independent Age Enterprises Limited

The wholly owned trading subsidiary Independent Age Enterprises Limited, handles the non-charitable activities of Independent Age. It donates all of its profits to the charity by Gift Aid. As such no corporation tax is payable. A summary of the trading results is shown below.

	2019 £000	2018 £000
Turnover	-	26,705
Cost of sales and administration costs	-	26,705
Interest receivable	-	-
Net profit	-	-
Amount Gift Aided to the charity	-	-
Retained in subsidiary	-	-

The assets and liabilities of the subsidiary were:

	2019 £000	2018 £000
Current assets	9,052	9,052
Current liabilities	(9,051)	(9,051)
Shareholder's funds/total net assets	1	1

13. Concessionary loans

	2019 £000	2018 £000
Loan balance as at 1 January	325	361
Loans repaid	-	(23)
Loans written off	(22)	(13)
Total loans outstanding	303	325
Provision	(214)	(229)
	89	96

These loans represent interest-free advancements to qualifying beneficiaries in furtherance of the charity objectives to assist with essential house repairs, and are repayable as the individual beneficiary's circumstances allow. The practice of awarding such loans was ended in May 2014 and no further loans are made.

14. Debtors: amounts falling due within one year

	Group 2019 £000	Group 2018 £000	Charity 2019 £000	Charity 2018 £000
Debtors	24	30	24	8
Other debtors	129	97	129	119
Prepayment	334	460	334	460
Accrued income	1,122	2,896	1,071	2,844
	1,609	3,483	1,558	3,431

15. Creditors: amounts falling due within one year

	Group 2019 £000	Group 2018 £000	Charity 2019 £000	Charity 2018 £000
Trade creditors	572	1,270	572	1,270
Regular payment liability (Note 16)	931	1,054	931	1,054
Other creditors	185	67	185	67
Accruals	189	109	189	109
Deferred income	325	365	325	365
	2,202	2,865	2,202	2,865

Movement in deferred income

	Charity 2019 £000	Charity 2018 £000
Deferred income brought forward	365	-
Amounts released in the year	(365)	-
Amounts deferred in the year	325	365
Deferred income carried forward	325	365

16. Reconciliation of regular payments

	2019 £000	2018 £000
Commitments at 1 January	8,191	8,316
Movement in provision	(257)	1,012
Amount paid in the year	(1,002)	(1,137)
Commitments at 31 December	6,932	8,191
Payable within one year – see Note 15	931	1,054
Payable after one year	6,001	7,137
Commitments at 31 December	6,932	8,191

The movement in the provision is derived from three factors: the number of annuitants at the year end, changes in the discount factor and changes in the mortality tables used to determine life expectancy. At 31 December 2019, the number of annuitants was 1,239, 170 fewer than at the same date in the previous year (2018: 1,409). The discount factor decreased from 2.75% to 2.05%. Taking into account the movements in the factors above, there was a reduction in the overall liability.

17. Pension schemes

The employer, Independent Age, operates a defined benefit (final salary) scheme in the UK. A full actuarial valuation was carried out at 30 September 2016 and updated to 31 December 2019 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

The most recent actuarial valuation at 30 September 2016 showed a deficit of £2,994,000. The employer currently pays contributions at the rate of 38.3% p.a. of members' earnings in respect of non-contributory members and 32.3% p.a. of members' earnings in respect of contributory members. In addition, the employer will pay lump sums of £908,000 p.a. in June each year in respect of the shortfall in funding, providing that the shortfall is more than £908,000. The employer also pays £63,000 p.a. in respect of scheme expenses. The PPF levy is paid separately by the employer upon receipt of the invoice.

Member contributions are payable in addition at the rate of 6.0% p.a. of members' earnings in respect of contributory members only.

Present values of defined benefit asset/(obligation), fair value of assets and defined benefit liability	2019 £000	2018 £000
Equity-type assets	2,450	7,048
Fixed Interest Bonds	2,593	1,704
Index-Linked Bonds	6,072	6,103
Fixed Interest Gilts	4,957	4,563
Property	1,392	1,468
Other	5,055	47
Total market value of assets	22,519	20,933
Present value of Scheme liabilities	(20,631)	(19,401)
Surplus	1,888	1,532
Effect of asset ceiling	(1,606)	(766)
Net pension asset under FRS 102	282	766

None of the fair value of the assets shown above includes any direct investments in the employer's own financial instruments or any property occupied by, or any other assets used by, the employer.

Reconciliation of opening and closing balances of the defined benefit obligation	2019 £000	2018 £000
Defined benefit obligation at start of period	19,401	21,396
Current service cost	60	108
Expenses	-	84
Interest cost on defined benefit obligation	522	516
Past service cost – plan amendments	-	98
Member contributions	5	17
Benefits paid	(817)	(896)
Actuarial (gain)/loss on changes in demographic and financial assumptions	1,548	(2,007)
Experience (gain)/loss on liabilities	(88)	85
Defined benefit obligation at end of period	20,631	19,401

Reconciliation of opening and closing balances of the fair value of plan assets	2019 £000	2018 £000
Fair value of plan assets at start of period	20,933	20,786
Interest income on assets	565	510
Expenses	(81)	-
Return on assets excluding interest income	1,814	(465)
Employer contribution	100	981
Member contribution	5	17
Benefits paid	(817)	(896)
Fair value of plan assets at end of period	22,519	20,933

Movement in balance sheet asset/(liability) during the period	2019 £000	2018 £000
Surplus/(deficit) in Scheme at the beginning of the period	766	(610)
Current service cost	(60)	(108)
Past service (cost)/credit – plan amendments	-	(98)
Expenses	(81)	(84)
Net interest (cost)/credit	22	(6)
Re-measurements included in other comprehensive income	(465)	691
Employer contributions	100	981
Surplus/(deficit) in Scheme at the end of the period	282	766

Defined benefit costs recognised in the statement of financial activities	2019 £000	2018 £000
Current service cost (included within Staff costs)	60	108
Expenses (included within Staff costs)	81	84
Past service cost – plan amendments	-	98
Operating charge	141	290
Interest income on assets	(565)	(510)
Interest cost on defined benefit obligation	522	516
Interest on surplus that is not recoverable	21	-
Net Interest (credit)/cost	(22)	6
Defined benefit costs recognised in Statement of Financial Activities	119	296
Defined benefit costs recognised as other gains and losses in the statement of financial activities	2019 £000	2018 £000
Return on assets excluding interest income	1,814	(465)
Experience gains/(losses) on liabilities	88	(85)
Gain/(loss) from change of assumptions	(1,548)	2,007
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	(819)	(766)
Actuarial gain/(loss) on defined benefit pension scheme in the Statement of Financial Activities	(465)	691

Assumptions

Movement in assumption	Effect on liabilities
Discount rate + /- 0.1%	+ /- 2%
Inflation assumptions + /- 0.1%	+ /- 2%
Life expectancy + /- 0.1%	+ /- 2-3%

Financial assumptions

	2019 £000	2018 £000
Discount rate	2.00% p.a.	2.75% p.a.
Inflation (RPI)	3.05% p.a.	3.25% p.a.
Inflation (CPI)	2.05% p.a.	2.25% p.a.
Deferred revaluations	3.05% p.a.	3.25% p.a.
Salary growth	2.05% p.a.	2.25% p.a.

Pension increases in payment

CPI max 5% p.a.	2.10% p.a.	2.30% p.a.
CPI max 2.5% p.a.	1.65% p.a.	1.75% p.a.
CPI max 3% p.a.	1.8% p.a.	1.95% p.a.

Demographic assumptions	2019 £000	2018 £000
Mortality		
Base tables	Pre retirement: nil Post retirement: 105% of S2PXA	Pre retirement: nil Post retirement: 105% of S2PXA
Improvement allowance	CMI_2018 (1.25%) for males CMI_2018 (1.00%) for females	CMI_2018 (1.25%) for males CMI_2018 (1.00%) for females
Smoothing parameter	7.5	7.5
Life expectancy from age 65		
Pensioners (currently aged 65)	Male: 21.4 Female: 23.1	Male: 21.6 Female: 23.3
Non-pensioners (currently aged 45)	Male: 22.7 Female: 24.3	Male: 22.9 Female: 24.5
Commutation	75% of maximum allowance	75% of maximum allowance
Proportion married at retirement	75% for both males and females	75% for both males and females
Spouse age difference	Males 3 years older	Males 3 years older
Other demographic assumptions	As per most recent Technical Provisions assumptions	As per most recent Technical Provisions assumptions

Independent Age also operates a defined contribution scheme administered by TPT Retirement Solutions. Members of the scheme contribute up to 6% whilst the Employer contributes up to 10%. Total employer contributions towards this scheme in the year were £430,523 (2018: £267,335).

18. Movement in funds

	Balance at 1 January 2019 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains (Losses) £000	Balance at 31 December 2019 £000
Independent Age						
Endowed funds						
F E Cobbold Trust Fund	1,458	-	-	19	-	1,477
Backsettown Endowed Charity	285	-	-	4	-	289
Wharton & Wittrick	428	-	-	-	-	428
General Endowment Fund	56,239	-	-	735	-	56,974
Unapplied Total Return	(2,385)	2,758	58	(6,459)	6,144	-
Total endowed funds	56,025	2,758	58	(5,701)	6,144	59,168
Restricted funds						
F E Cobbold Trust Fund	13,304	297	2,622	-	1,051	12,030
Backsettown Charity	129	-	17	-	-	112
RUKBA Holiday Fund	4,363	98	2,149	-	345	2,657
Ulster Ladies Trust Fund	783	17	288	-	62	574
Campaign to End Loneliness	74	858	1,102	268	-	98
Other restricted funds	-	67	67	-	-	-
Total restricted funds	18,653	1,337	6,245	268	1,458	15,471
Unrestricted funds						
<i>Designated funds</i>						
Investment Property Fund	2,300	-	-	(528)	-	1,772
Tangible and Intangible Fixed Assets Fund	2,255	-	128	15	-	2,142
Endowment Funded Activity Protection Fund	20,443	524	21	(2,059)	1,672	20,559
Future Impact Fund	50,833	4,430	12,012	15,775	4,466	63,492
<i>Total designated funds</i>	<i>75,831</i>	<i>4,954</i>	<i>12,161</i>	<i>13,203</i>	<i>6,138</i>	87,965
General fund	19,488	-	-	(7,770)	-	11,718
Total unrestricted funds	95,319	4,954	12,161	5,433	6,138	99,683
Sub total Independent Age	169,997	9,049	18,464	-	13,740	174,322
Counsel and Care for the Elderly						
General fund	106	47	42	-	-	111
Sub total Counsel and Care for the Elderly	106	47	42	-	-	111
Total Group	170,103	9,096	18,506	-	13,740	174,433

Fund Descriptions

The Supplementary Royal Charter 2014 stipulated the establishment of a General Endowment Fund comprising all of the monies previously held in the Permanent Annuities fund, the Provision of Homes Capital fund, the Annuitants' Relief fund and part of the Life Annuities fund.

The Charity Commission scheme, which became effective on 23 October 2014, defined the nature and purposes of the three endowed funds of which Independent Age is the Managing Trustee, namely: F E Cobbold Trust Fund, Backsettown Endowed Charity fund, and the Wharton & Wittrick fund. The Scheme further provided for the merger of Homes of Rest for Gentlewomen and the Georgina Tompkins Ladies Fund into the RUKBA Holiday Fund; confirmation that both the capital and income of the Ulster Ladies Fund could be expensed in accordance with its restrictions; and amended the restrictions on other named funds.

The Board of Trustees resolved in December 2014 that the charity would adopt Total Return Accounting for the three above named Permanent Endowed funds with effect from 1 January 2015 and acknowledged that this should also apply to the General Endowed Fund as permitted under the Supplementary Royal Charter.

The funds of Independent Age are as described below.

Permanent Endowed Funds

The **F E Cobbold Trust Fund** represent monies to be held on trust to invest and apply to relief to older people in need by reason of ill health, disability, financial hardship or other disadvantage, with preference to persons who are residents of Suffolk, by the provision of grants and other financial assistance and the provision of advice and support.

The **Backsettown Endowed Charity** fund is to relieve persons who are in conditions of need, hardship or distress or who, by reason of physical or mental illness or otherwise, are in need of rest and recuperation by making of grants or the provision of facilities that are calculated to relieve such need.

The **Wharton & Wittrick Fund** is to be held on trust to invest and apply the income to relief to older people in need by reason of ill health, disability, financial hardship or other disadvantage, with preference to persons who have been employed with the health and social care professions, by the provision of grants and other assistance relating to accommodation.

The **General Endowment Fund**, which was established by the Supplementary Royal Charter in 2014, provides for the general purposes of the charity.

The **Unapplied Total Return** is the balance of income earned, less investment management fees, plus investment gains after the maintenance of the capital value of the Permanent Endowed funds calculated by the movement in CPI for the respective period.

Under section 104(A) of the Charities Act 2011 on 1 January 2015 the Trustees have the power to invest permanently endowed funds to maximise total return and therefore to apply an appropriate portion of the unapplied total return to income. The unapplied total return remains invested as part of the permanent endowment until that power is exercised.

In 2019, the Trustees exercised this right and transferred the unapplied total return net balance of £5,701k to income funds. This amount was fully utilised in the year.

	Endowed for Investment £000	Unapplied Total Return £000	Total Endowed £000
At start date: 1 January 2019			
Gift component of permanent endowment	58,410	-	58,410
Unapplied total return	-	(2,385)	(2,385)
	58,410	(2,385)	56,025
Movements			
Recoupment of trust for investment*	758	(758)	-
Dividend return	-	2,758	2,758
Investment gains	-	6,144	6,144
Investment management costs	-	(58)	(58)
	758	8,086	8,844
Unapplied total return retained	-	2,385	-
Unapplied total return transferred to income funds	-	(5,701)	(5,701)
Totals	59,168	-	59,168

*This represents the sum elected to maintain the real capital value of the endowed funds by offsetting the impact of inflation.

Restricted Funds

These are funds which the charity must spend on activities specified by the restrictions of the fund.

The **RUKBA Holiday Fund**: the income and capital may be applied for the relief in need of persons in reduced circumstance with a preference for those from the South of England, by provision of holidays or in such ways as the Trustees shall think fit.

The **Ulster Ladies Trust Fund**: the income and capital may be applied for the relief of persons in need by reason of ill health, disability, financial hardship or other disadvantage with a preference for those living or formerly living in Northern Ireland.

The **Campaign to End Loneliness**: grants received including those from the other partners to address the issues related to older people experiencing loneliness. During the year, £268k was transferred from unrestricted fund to support this activity.

Other Restricted Funds are donations from trusts on which a restriction is placed by the donor.

Designated Funds

In accordance with the Charity Commission guidance, the Trustees have designated funds to mitigate the charity financial risks and to indicate which reserves are held in property and therefore not available as 'free' reserves. Individual purposes of these funds are described below.

The **Investment Property Fund** represents the amount of reserves relating to investment properties not held in restricted and endowed funds.

The **Tangible and Intangible Fixed Assets Fund** recognises the net book value of operational fixed assets – primarily the Head Office building at 18 Avonmore Road.

The **Endowment Funded Activity Protection Fund** will be used to cover the gap in funding of charitable activities arising from a potential negative return on the endowed investment. Trustees have designated for this purpose a value equivalent to 35% of the endowments.

The **Future Impact Fund** represents the balance of unrestricted reserves which, together with growth of voluntary income, will be used to continue to expand the scale, scope and depth of charity services now and in the future.

General Funds

The **General Fund** represents free reserves used for the general work of Independent Age.

Comparatives for 2018 of movement on funds are shown below:

	Balance at 1 January 2018 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains (Losses) £000	Restated Balance at 31 December 2018 £000
Independent Age						
Endowed funds						
F E Cobbold Trust Fund	1,428	-	-	30	-	1,458
Backsettown Endowed Charity	279	-	-	6	-	285
Wharton & Wittrick	419	-	-	9	-	428
General Endowment Fund	55,084	-	-	1,155	-	56,239
Unapplied Total Return	-	1,589	99	(1,200)	(2,675)	(2,385)
Total endowed funds	57,210	1,589	99	-	(2,675)	56,025
Restricted funds						
F E Cobbold Trust Fund	14,424	406	843	-	(683)	13,304
Backsettown Charity	129	-	-	-	-	129
RUKBA Holiday Fund	4,536	127	85	-	(215)	4,363
Ulster Ladies Trust Fund	878	25	79	-	(41)	783
Campaign to End Loneliness	198	730	1,268	414	-	74
Other restricted funds	-	147	147	-	-	-
Total restricted funds	20,165	1,435	2,422	414	(939)	18,653
Unrestricted funds						
Designated funds						
Investment Property Fund	2,300	-	-	-	-	2,300
Tangible and Intangible Fixed Assets Fund	2,479	-	303	79	-	2,255
Endowment Funded Activity Protection Fund	20,023	563	35	840	(948)	20,443
Future Impact Fund	67,760	6,336	13,783	(6,274)	(3,206)	50,833
Total designated funds	92,562	6,899	14,121	(5,355)	(4,154)	75,831
General fund	14,547	-	-	4,941	-	19,488
Total unrestricted funds	107,109	6,899	14,121	(414)	(4,154)	95,319
Sub total Independent Age	184,484	9,923	16,642	-	(7,768)	169,997
Counsel and Care for the Elderly						
General fund	186	220	300	-	-	106
Sub total Counsel and Care for the Elderly	186	220	300	-	-	106
Total Group	184,670	10,143	16,942	-	(7,768)	170,103

19. Analysis of net assets between funds

	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	Endowed Funds £000	2019 Total Funds £000
Tangible and intangible fixed assets	-	2,112	-	-	2,112
Investment	14,878	83,799	15,126	58,740	172,543
Investment properties	-	1,772	100	428	2,300
Concessionary loans	-	-	89	-	89
Current assets	4,740	-	570	-	5,310
Current liabilities	(1,788)	-	(414)	-	(2,202)
Creditors: Amount falling due after more than one year	(6,001)	-	-	-	(6,001)
Defined benefit pension scheme asset	-	282	-	-	282
Total	11,829	87,965	15,471	59,168	174,433

Comparatives for 2018 analysis of net assets between funds are shown below:

	Unrestricted Funds £000	Designated Funds £000	Restricted Funds £000	Endowed Funds £000	2018 Total Funds £000
Tangible and intangible fixed assets	-	2,255	-	-	2,255
Investment	24,639	70,323	18,370	55,597	168,929
Investment properties	-	1,772	100	428	2,300
Concessionary loans	-	-	96	-	96
Current assets	4,543	715	501	-	5,759
Current liabilities	(2,451)	-	(414)	-	(2,865)
Creditors: Amount falling due after more than one year	(7,137)	-	-	-	(7,137)
Defined benefit pension scheme asset	-	766	-	-	766
Total	19,594	75,831	18,653	56,025	170,103

20. Trustees, related parties and connected charities

No Trustee received any remuneration from Independent Age during the year ended 31 December 2019. They were reimbursed for travel expenses incurred in the furtherance of charity's activities totalling £1,446 (2018: £1,982).

Professor Martin Green OBE, Trustee at the International Longevity Centre – UK (ILC-UK), is a Trustee of Independent Age. There were no payments made in 2019 (2018: £18,000) to ILC-UK for research services and events.

Counsel and Care for the Elderly merged with Independent Age in October 2011 but continues to operate as a separate charitable company for the collection of donations and legacies. Independent Age is the Managing Trustee and continues to provide the services previously offered by Counsel and Care. In the year ended 31 December 2019 the income for Counsel and Care was £47k (2018: £220k) and expenditure was £42k (2018: £300k). At 31 December 2019 Counsel & Care's total net asset value was £111k (2018: £106k).

Independent Age is connected to the Florence Nightingale Aid in Sickness Trust (FNAIST) which was formerly administered by the charity providing accommodation and other support services. In August 2014 FNAIST relocated to new premises and was established as a Company limited by guarantee (09064489) and re-registered with the Charity Commission for England and Wales (1157980). Since that date a member of Independent Age staff has been seconded to FNAIST which reimburses the charity for costs incurred and pays a small administration fee of £600 p.a. As at 31 December 2019 FNAIST owed Independent Age £5,353 (2018: £4,690).

21. Reconciliation of net movements in funds to net cash flow from activities

	2019 £000	2018 £000
Net (expenditure)/income for the year	4,795	(15,258)
Dividends received	(5,421)	(4,921)
Interest receivable	(6)	(105)
Rents received from investment properties	(59)	(62)
Gain on sale of asset held for sale	(7)	-
Depreciation and impairment of tangible fixed assets	128	117
Amortisation and impairment of intangible fixed assets	29	186
Impairment of assets held for sale	-	40
Repayments of concessionary loans	-	23
(Gains)/losses on investment	(14,205)	8,459
Movement in provision against concessionary loans	6	(13)
Post-employment benefits less payments	19	(685)
Movement in the provision for regular payments	(257)	1,012
Decrease/(increase) in debtors	1,874	(2,267)
(Decrease)/increase in creditors	(1,541)	25
Net cash flow from operating activities	(14,645)	(13,449)

22. 2018 Consolidated Statement of Financial Activities

	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Restated Year to 31 December 2018 Total funds £000
Income and endowments from:				
Donations and legacies	4,073	876	-	4,949
Raising funds – events	94	-	-	94
Investment income	2,941	558	1,589	5,088
Other income	11	1	-	12
Total income and endowments	7,119	1,435	1,589	10,143
Expenditure on:				
Raising funds				
Raising voluntary income	2,487	-	-	2,487
Investment and property management	179	35	99	313
Total cost of fundraising	2,666	35	99	2,800
Charitable activities				
Information and Advice	3,411	861	-	4,272
Wellbeing	4,308	-	-	4,308
Campaigning	2,886	1,267	-	4,153
Regular Payments and Grants	1,144	259	-	1,403
Total cost of charitable activities	11,749	2,387	-	14,136
Other expenditure				
Pension – net interest cost	6	-	-	6
Total expenditure	14,421	2,422	99	16,942
Operating (deficit)/surplus	(7,302)	(987)	1,490	(6,799)
Gains/(Losses) on investment assets	(4,845)	(939)	(2,675)	(8,459)
Net (expenditure)/income	(12,147)	(1,926)	(1,185)	(15,258)
Transfers between funds	(414)	414	-	-
Other recognised gains/(losses)				
Actuarial (loss)/gain on defined benefit pension scheme	691	-	-	691
Net movement in funds	(11,870)	(1,512)	(1,185)	(14,567)
Fund balances brought forward at 1 January	107,295	20,165	57,210	184,670
Fund balances carried forward at 31 December	95,425	18,653	56,025	170,103

Details of the restatement of the 2018 comparatives are set out in note 24.

23. Operating lease commitments

The Group had total commitments at the year end under operating leases in respect of office premises as follows: within one year £290k (2018: £nil) and within two years £291k.

24. Prior year adjustment

In 2019 the Charity identified gifts in kind of £266,717 relating to digital marketing services received in 2018 which had not previously been accounted for. The Consolidated Statement of Financial Activities, comparatives and Notes for 2018 have accordingly been restated to reflect this, and our internal controls around accounting for gifts in kind have been strengthened. In making this correction the overall result, reserves and cash position of the organisation have remained unchanged.

25. Post-balance sheet events

Since the year end there have been significant falls in financial markets due to the COVID-19 crisis. As at 30 April 2020 the value of our investment portfolio stands at £152m. Trustees remain confident in the long-term investment strategy and the charity's medium- and short-term liquidity position.

“

There is a whole demographic of people who are scared and are not being accounted for.

Maggie, 66, LGBT+ activist

Legal and administrative details

Legal and administrative details

Charity information

Independent Age is the operating name of the Royal United Beneficent Association (RUKBA).

It is registered in England and Wales with the Charities Commission under charity number 210729 and has been entered on the Scottish Charity Register under charity number SC047184 as of 17 February 2017.

Trustees

Richard Anderson
(from March 2020)

Lucy Blythe
(from March 2020)

Karen Byrne
(from December 2019)

Michael Craston

Karl Demian
(from December 2019)

Vivienne Dews

Prof Martin Green OBE

John Hannaford (Treasurer)

Simon Inchley

Lorraine Lander
(from February 2020)

Baroness Julia Neuberger DBE
(Chair, from October 2019)

Amit Patel
(from December 2019)

Dame Helena Shovelton

Tracey Bleakley
(until January 2019)

Dr Justine Frain
(until October 2019)

Estelle McCartney
(until December 2019)

Paul Richardson
(until October 2019)

James Steel
(until July 2019)

Royal Patron

Her Royal Highness Princess Alexandra, the Hon. Lady Ogilvy, KG, GCVO

Patrons

The Moderator of the General Assembly of the Church of Scotland

The Free Churches Moderator

The Cardinal Archbishop of Westminster

Vice President

William Underwood
(until March 2019)

Senior Leadership Team

Deborah Alsina MBE, Chief Executive (from October 2019)

Gerard Crofton-Martin, Director of Strategy, Impact and Transformation (from January 2020)

Simon Hewett-Avison, Director of Services (from January 2020)

John Palmer, Interim Director of Policy and Communications (from January 2020)

Stuart Rogers, Interim Director of Corporate Services (from January 2020)

Kate Shurety, Executive Director of Campaign to End Loneliness (from August 2019)

Karen Thompson, Interim Director of Finance and Governance (from November 2019)

Matthew Wilkley, Director of Income Generation (from January 2020)

Janet Morrison, Chief Executive (until January 2019)

Shān Nicholas, Interim Chief Executive (January 2019 to September 2019)

Biagio Borromeo, Director of Engagement (until July 2019)

Lucy Harmer, Director of Services (until July 2019)

George McNamara, Director of Policy and Influencing (until July 2019)

John Tranter, Director of Corporate Resources (until November 2019)

Professional advisers

Independent auditors

MHA MacIntyre Hudson LLP
6th Floor
2 London Wall Place
London EC2Y 5AU

Principal bankers

NatWest Bank PLC
Fleet Street (B) Branch
PO Box 281
156 Fleet Street
London EC4A 2DX

Insurance broker

Scrutton Bland LLP
820 The Crescent
Colchester Business Park
Colchester
Essex CO4 9YQ

Solicitors

Bates Wells Braithwaite
10 Queen Street Place
London EC4R 1BE

Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Investment advisers

Lane Clark & Peacock LLP
95 Wigmore Street
London W1U 1DQ

Investment managers

Baillie Gifford & Co
Calton Square
1 Greenside Row
Edinburgh EH1 3AN

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Schroder Investment Management Limited
31 Gresham Street
London EC2V 7QN

Blackrock Inc.
60 Sloane Avenue
Chelsea
London SW3 3XB

Lindsell Train Limited
5th Floor
66 Buckingham Gate
London SW1E 6AU

Vanguard Asset Management Limited
25 Walbrook
London EC4N 8AF

Legal & General Investment Management Limited
One Colman Street
London EC2R 5AA

M&G Securities Limited
Laurence Pountney Hill
London EC4R 0HH

State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2 D02 HD32
Ireland

JP Morgan Institutional Investments Inc.
270 Park Avenue
25th Floor
New York NY 10017
US

Charter Members as at Report signing date

Charter Members are appointed when an application, which may have been invited by the Trustees, has been approved by the Trustees. Trustees are appointed Charter Members for the period of their trusteeship only.

At each Annual General Meeting, the Charter Members shall resolve on the appointment or reappointment of Trustees who have been nominated by the Trustees, and the appointment of the Auditors.

2020 Mr R Anderson

2003 Mr U D Barnett

2010 Ms E C Best

2020 Ms L Blythe

1995 Miss M C L Boggis

2006 Mr R D H Bryce

2009 Mr S Burke

2019 Ms K Byrne

2009 Mr P Cann

2005 Mrs J M Casimir

2008 Ms S Collins

2016 Mr M Craston

2012 Ms M Dangoor

2019 Mr K Demian

2012 Mr T Dennis

2016 Ms V Dews

2003 Mr P W Fane

2012 Mrs F Findlay

2009 Prof M Green OBE

2016 Mr J Hannaford

2004 Mr M A Hayes

1996 Miss D A K Hayman

2012 Miss P Hibbs

2012 Miss D Hodson

1999 Mr A M Hogg

2006 Mr T J Howe

1990 Dr T G Hudson

2005 Mrs F C Hughes

2008 Mr R Humphries

2017 Mr S Inchley

2012 Stella Kyriazis,
Countess Caridi

2020 Ms L Lander

2009 Mrs C Loyd

1986 Mrs I Macdonald

2017 Ms H Mustafa

2010 The Rt. Hon. the
Baroness Neuberger

2002 Mrs P A O'Brien

2019 Mr A Patel

2012 Mr G Patterson

1985 Mr P G Pollock

2004 Mr H M Priestley

1989 Mr W Rathbone OBE

2013 Ms L Romeo

2014 Dame Helena Shovelton

1985 Mr J G Tregoning

1999 Mr W G Underwood

Our year in numbers

In 2019 **1.4m** people accessed our services.

We helped individuals **4.2m** times.

More than **4m** information resources were distributed.

We answered **69,231** helpline enquiries.

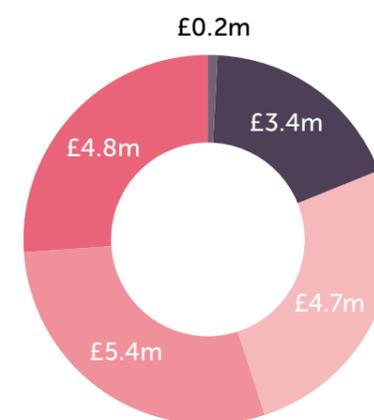
We facilitated **61,348** friendship contacts for **2,414** older people.

And **£3.6m** was raised to help deliver the support we provide.



Income by type

- Investments – **60%** / £5.5m
- Legacies – **10%** / £0.9m
- Donations – **30%** / £2.7m



Expenditure by activity

- Wellbeing – **26%** / £4.8m
- Information & Advice – **29%** / £5.4m
- Campaigning – **26%** / £4.7m
- Raising Voluntary Income – **18%** / £3.4m
- Investment & Property Management – **1%** / £0.2m

Our overall income

In 2019 we generated a fantastic £9.1 million to help support older people in greatest need, their families and carers. This included individual donations, income from trusts and corporate supporters, investment income and a number of very generous gifts from supporters who remembered us in their wills.

Our overall spending

In 2019 we spent £18.5 million to transform the lives of older people in the UK. This included £14.9 million charitable expenditure, an increase of 5% from 2018, and an investment of £3.6 million in activities to generate long-term voluntary income as we seek to sustainably grow our vital work.

Get involved!

If you can provide your time, expertise, funding, insight or contacts, we'd love to hear from you.

We're a successful and ambitious organisation, and working in partnership gives us a collective force to achieve even more. From individuals and charitable trusts to blue chips and start-ups, the collective endeavour of collaboration is immensely powerful. It helps shape our strategic planning, innovation, service development, policy and campaigns.

Working together is the only way we can transform society. Together we can secure a better future for older people. Because don't we all deserve to be supported, respected and valued as we get older?

From service-shaping strategic partnerships to generous one-off gifts. From long-term investments to volunteering your free time. No matter who you are, there's a vital part for you to play in our future. And yours.

Contact supporters@independentage.org to find out more.





Independent Age
18 Avonmore Road
London
W14 8RR

T 020 7605 4200
E charity@independentage.org
www.independentage.org
Helpline 0800 319 6789

 Like our page **Independent Age**

 Follow us **independentage**

 Follow us **@independentage**

 Subscribe to **IndependentAge**

© 2020 Independent Age

Independent Age is the operating name of the
Royal United Kingdom Beneficent Association
Registered charity number 210729
(England and Wales) SC047184 (Scotland)

