



**Independent
Age**



**Annual Report
and Accounts
2021**

We can all live a happy, connected and purposeful later life.

Our mission at Independent Age is to make sure that as we grow older, we all have the opportunity to live well with dignity, choice and purpose.

Through our national and local services and our Grants Fund, we work in partnership with individuals, charitable trusts and businesses large and small, offering older people opportunities to connect with their local communities, providing free impartial advice and, crucially for the future, demonstrating a strong campaigning voice.

2021 meant more challenges for older people and our charity, from the ups and downs of a seemingly open-ended pandemic to the rising cost of living. We carried on, delivering the advice and services older people really need and, where we could, connecting people face to face again – something we know is so crucial to wellbeing.

As our transformation programme continues, those challenges have confirmed how important building a strong, sustainable charity is to those who need us. We will continue to amplify the voice of older people and raise issues with government – and with everyone, of whatever age, who wants to live in a society that values





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Welcome from Stuart Rogers and Julia Neuberger

2021 saw us pick up where we left off in 2020, managing in a global pandemic while continuing to transform our charity.

Throw in a worsening economic climate and you might have forgiven us for adopting an air of doom and gloom. We are delighted to say that we did not. With our three-year strategic plan in place, we got on and implemented it, seeing the charity go from strength to strength – and enjoy real reasons for optimism. Here's why.

The ongoing pandemic has tested us all, but we've refused to be defined by it. People seeking to live a happy, connected and purposeful later life need us more than ever. We know that of those 12.9 million people aged over 65 in the UK, many are relishing older age and managing well. But between two and four million are on the margins of poverty, experiencing multiple health issues, a care crisis or social isolation, or a combination of these. More worryingly, some 2.1 million people live below the poverty line, with a weekly household income of less than £166 for a single person or £285 for a couple. They are facing a poor older age.

Our Helpline is an important part of our response to these issues. In 2021 we answered 15,256 calls comprising 21,593 different enquiries from people looking for help and advice. Many of the questions were about welfare benefits and social care, and we were able to offer many callers copies of our publications to help answer their questions, too. We're keen to learn from people whether talking to us helped improve their situation – and, if not, what we can change or do better to make that difference – and what makes for a positive Helpline experience. We're also piloting live web chat to make the Helpline even more accessible.

Like us, other charities worked tirelessly with older people across the country in 2021. Many benefited from our continuing help through the Independent Age Grants Fund, which, this year, centred on helping our charity community re-establish their face-to-face services. Building this community of support and, with it, our profile and reputation, is a key part of driving change. Another is our monitoring of the ever-changing policy landscape, examining how proposed changes could affect older people. Challenge and uncertainty in this area remain, but our work to influence policy is securing significant improvements to the social systems older people rely on.

We are incredibly grateful for all the generous support we have received in 2021, from our individual donors, fundraisers, legators, corporate partners and foundations. Thank you all for being part of our important work.

Delivering that work are our wonderful colleagues and volunteers – and 2021 saw us recruit more great people to complement our already hardworking group. In fact, with 97% responding to our employee survey, we achieved a 78% overall satisfaction level, compared with 42% in 2019. Our senior leadership team and heads of department have been visible and engaging, setting the right culture by living our values and remaining resolutely positive. Our trustees have provided great oversight and direction, with a supportive hand whenever it was needed.

We are learning about and gradually developing our approach towards equity, diversity and inclusion. Within our strategic principles we aim to challenge ageism and other forms of discrimination proactively through all our work. We will celebrate and champion diversity within and beyond our charity and create a culture in which everyone knows they belong. We will develop our leaders so they can act as role models and champions – and we will develop our employees so they can embrace these principles and apply them in their work. We are determined to deliver equal opportunities for our employees, volunteers and the people who use our services, whether they have protected characteristics or not.

Developing our values and behaviours was another priority for us in 2021. Our charity's values are to be purpose driven, compassionate, expert, collaborative, accountable and inclusive. We continue to model our desired behaviours in our everyday work to bring those values to life.

We are a charity that is changing. We are leaner these days. We are focused on building firm foundations by continually reviewing our policies and procedures, by developing our safeguarding, assurance and compliance frameworks, and by improving the quality, security and use of our data. And we have a vision of a better society that values its older citizens and wants them to live secure, contented, connected, comfortable lives.

Looking to the future, we will make sure we can continue to deliver high-quality services for the people who need them and make positive policy change happen, while remaining financially sustainable. We are so grateful to everyone who has been part of our work in 2021 – thank you. With your help, encouragement, support and generous funding we know we can fully deliver our strategy in 2022.



Stuart Rogers
Acting Chief Executive



Baroness Neuberger, DBE
Chair

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People seeking to live a happy, connected and purposeful later life need us more than ever.

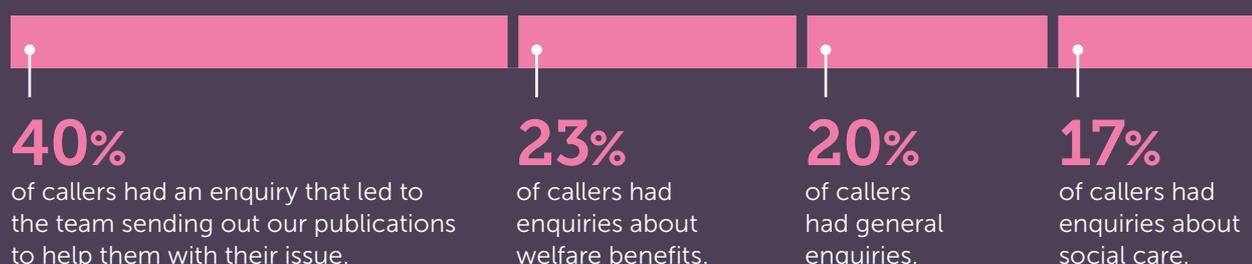
Our year in numbers

In 2021 **884,023** people accessed our services.

We distributed **168,087** information resources. We sent **129,692** printed guides and factsheets while **38,395** digital guides and factsheets were downloaded. Our web pages were viewed **690,000** times.

More than **18,000** campaign actions were taken across 2021.

We answered **21,593** Helpline enquiries.



For comparison: In 2020 1,149,768 people accessed our services. We helped individuals 1.27 million times. More than 211,782 information resources were distributed. We answered 28,470 Helpline enquiries. We facilitated 209,402 friendship contacts for 1,560 older people. Some 4.3 million was raised to help deliver the support we provide. We provided £2.3 million in 203 grants to charities working with older people, and £1.1 million in grants directly to 1,157 older people.

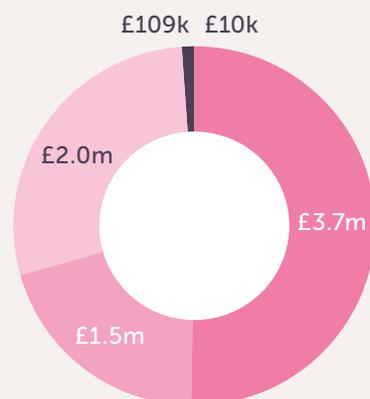
Through the Independent Age Grants Fund, we provided **£0.9 million** to **75** organisations that, together, had been in touch with more than **115,000** older people in 2021.

We provided **£724,000** in grants directly to **946** older people.

Some **£3.6 million** was raised to help deliver the support we provide.

Our overall income

In 2021 we generated a fantastic £7.3 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.

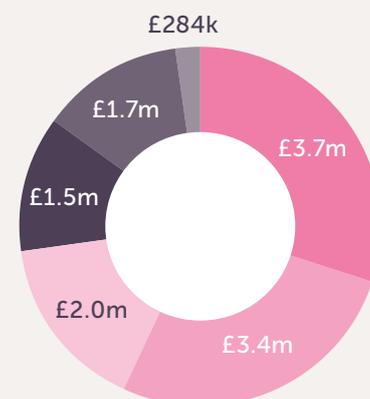


Income by type

- **Investments**
50% / £3.7m
- **Legacies**
20% / £1.5m
- **Donations**
28% / £2.0m
- **Other trading activities**
1% / £109k
- **Other income**
<1% / £10k

Our overall spending

In 2021 we spent £12.5 million to transform the lives of older people in the UK. This included £10.5 million in charitable expenditure, and an investment of £1.7 million in activities to generate long-term voluntary income as we seek to sustainably grow our vital work.



Expenditure by activity

- **National services**
30% / £3.7m
- **Community services**
27% / £3.4m
- **Policy and influencing**
16% / £2.0m
- **Grant making**
12% / £1.5m
- **Raising voluntary income**
13% / £1.7m
- **Investment and property management**
2% / £284k

Highlights from 2021

After another uncertain year, we reflect on some of our biggest achievements from 2021 – helping empower older people to engage with their local communities, amplifying their voices nationally and continuing to reduce inequalities in older age.

Community services

This year we developed our approach to working with communities, launching community projects in Essex, Nottingham, and Tyne & Wear and Teesside. Focused on supporting older people to reconnect with their communities, build friendships and share their skills, these projects have supported 117 older people since their launch.

Our work is always evolving in response to the priorities of older people. We continued to provide our befriending services this year – supporting 1,033 older people with volunteer visitors – and will start to transition this service to a blended model of online, telephone and face-to-face support to help older people develop their own relationships within their local communities.

Reconnections

Reconnections is a pilot service that reconnects older people with their local communities. Our London pilot concluded in December, having received more than 450 referrals from people who wanted to find the fun in life again.

Meanwhile, our Guildford and Waverley team continued to work with volunteers and local community partners to find more opportunities to connect residents with the things that matter to them.

National services

We took more than 15,000 Helpline calls this year, over 21,000 different enquiries and supported more than 2,000 older people with specialist advice – and identified £1,796,626 in unclaimed benefits.

166 people enjoyed our coffee morning telephone groups and 520 received regular calls from volunteers.

Grants Fund

We continued to support organisations in our charity community through the challenges of the pandemic, especially re-establishing their vital face-to-face services for older people. We received 405 applications for funding, and awarded £932,000 to 75 smaller charities, along with £150,000 to the National Academy for Social Prescribing.

Top Owen tending to the communal hens housed in the centre of his sheltered housing community.

Bottom Maria running for Independent Age in the 2021 Royal Parks Half Marathon.





We completed a new media and public relations strategy and generated more than 2,000 media mentions in 2021 – with a media value of around £4.7 million.*

And, we improved our website to help our users find the information they need.

Fundraising

We raised £3.6 million in 2021 to help deliver our advice and services.

We tested new public fundraising channels, restarted some small events and appointed a new partner agency to help increase future returns.

We ended the year with 8,781 very supportive active donors. Our legacy promotion was similarly successful, with 62 enquiries and 13 new pledges. We were also very grateful to receive 28 generous gifts in people's wills, worth £1.5 million.

We were especially appreciative of the support of 10 corporate partners, who donated £331,000 in total in 2021. We welcomed new funders such as Vodafone and Barclays and enjoyed the continued support of dedicated partners including 3i Group, Pension Insurance Corporation and Ikano Insight.

We were also delighted to receive £313,000 in continued support from more than 100 charitable trusts and foundations, including the John Laing Charitable Trust and Garfield Weston Foundation.

Policy and influencing campaigns

We led a multi-charity campaign to support people at more risk of COVID-19, including everyone aged 70 and over, by reducing the impact of supermarket delivery charges and minimum spends. This saw a major supermarket agree to refund delivery charges for those eligible for priority slots.

We also launched our Time to grieve campaign, including an open letter calling on the government to make bereavement support more available. Almost 8,500 people signed the letter, which our campaigners delivered in person to the minister at the Department of Health and Social Care.

Our engagement

Working with our local services teams and Grant Fund recipients, we created a library of new photography, showcasing older people and our volunteers.

Our case studies, which we're now developing through a more robust and transparent process, also helped to bring older people's stories to life in our publications.



Top A coffee morning group, who had to switch to online calls during COVID-19, at their first in-person catch-up in summer 2021.

Centre Campaigners at the Houses of Parliament to hand in our open letter for the Time to grieve campaign.

Above More than 50 people took part in a special festive telephone group featuring live music and a singalong.

Strategic report

“I’m very pleased to have Lauren. I think, for me, it feels like it’s taken a bit of a burden from the family.

Anne





Our vision, mission and values

2021 saw us begin our new three-year strategy to maximise the value of our work for older people.

Our strategy sees us focusing our efforts and resources on the critical areas of **health and care**, **loneliness** and **poverty** – right where we know we can have the greatest impact and reach.

Our six strategic goals are guiding the work we do – providing information and connections, supporting likeminded organisations and influencing positive policy change – and who we are – recognised and trusted, financially sustainable and a great place to work.



Vision

We can all live a happy, connected and purposeful later life.



Mission

To ensure that as we grow older, we all have the opportunity to live well with dignity, choice and purpose.



Values

Purpose-driven – Compassionate – Expert – Collaborative –
Accountable – Inclusive



Our purpose and focus

Over the next three years, we will challenge ageism and discrimination and tackle the inequalities that exist in older age. We will focus our resources on the critical areas of Health and Care, Loneliness and Poverty and concentrate our efforts where we will have the greatest impact and reach.

Growing our connections from service delivery to policy change

Growing our connections enables older people to live well with dignity, choice and purpose

1 Local community (re)connecting services

Our community-based connection services are focusing on the individual. Together, we're building a plan that includes connecting people to form friendships or provide support, reconnecting people with their local community or activities they enjoy, or connecting people with services they need.

2 Grants and capacity building

Grant-making is providing an invaluable tool to build partnerships at local and national levels, helping to deepen our impact for older people, raise our profile and generate resources.

3 Communities of support

We are building a community of support to help us deliver our goals: service volunteers supporting older people, fundraisers and donors building a sustainable financial base, and campaigner activists advocating local and national policy change.

4 Information and advice

We are providing information and advice focusing on the issues that matter most as we grow older. Our information guides, Helpline and advice service equip older people to understand their rights and options, to make informed decisions and to be in control of their lives. We're here for support, wherever you are in the UK.

5 Policy and influencing

Our authoritative policy analysis, built on a meaningful programme experience, is enabling policy, practice and behaviour change that's positively impacting the lives of millions of people in later life.





Goal 1: Services

To provide information and advice focusing on the issues that matter most as we grow older, and to deepen our impact within communities, connecting people, places and services to reduce isolation and loneliness.

Our services team rose to more challenges in 2021, maintaining support to those who really needed it, despite regularly adapting to changing COVID-19 advice and guidance.

“

I was on my computer one day and came across Independent Age and I have not looked back since.

Mike

What we achieved

To help people make sense of those pandemic changes and be confident about what was being asked of them, we developed an COVID-19 hub, drawing together important information in a simple way. It saw 1,020 users.

We also developed an online technology hub, which helped 3,023 people get online, feel safe navigating different types of technology and get extra 'tech' support.

Our telephone groups continued to grow, with more than 150 people regularly joining to chat and connect with each other on topics like cooking, music and favourite holiday destinations.

We launched three new community-based connection services in Essex, Nottingham, and Tyne & Wear and Teesside. Alongside local volunteers, our community teams connect people with others, reconnect people with things they enjoy doing, and help connect organisations and businesses to improve outcomes for older people.

Scotland

With the support of our Wellbeing team, our volunteers continued to offer friendship to older people. This was done either face to face or on the telephone, in line with the Scottish government's COVID-19 guidance.

Recognising the opportunity to extend our reach further, we appointed a head of Scotland to develop and oversee the delivery of our services and to progress our policy and influencing work based on the needs of people living in Scotland. We also started to offer money advice to people living in Scotland and our grants programme supported Scottish charities from our COVID-19 Grants Fund.

Meanwhile, our Reconnections pilot in Guildford and Waverley continued for its second year, and we concluded our two-year pilot in Barking, Dagenham and Havering. The huge amount we've learnt from these pilots continues to inform our work across other community teams and services overall.

We continued to build relationships and partnerships at local and national levels in 2021, working alongside likeminded organisations – such as The English Football League Trust, The National Academy for Social Prescribing, Healthinote and OnHand – to strengthen collaboration and increase our joint impact.

Future plans

In 2022 we want our services to have a more meaningful outcome for the older people who will most benefit from them – which means we need to better understand the difference our services are making.

To do this, we aim to:

- improve the methods we use to measure the outcomes of our services
- understand older people's satisfaction with our services
- better map our reach.

This will initially mean supporting fewer people directly. At the same time, though, we will widen and diversify our reach through grant-making and by building partnerships with specialised local and national organisations.

Our community-based teams will continue to embed our new approach in Essex, Nottingham, and Tyne & Wear and Teesside for example, deepening our collaboration with communities and organisations locally.

In Wales, meanwhile, we're investing in a team to improve our profile and create these connections too.

Scotland

We will extend our information and advice offer and look for community-based partnerships.

Betty's story

After two broken hips and the isolation of lockdown, I wanted to find some new friends and get active again. My GP referred me to the Reconnections service.

I always enjoyed swimming but thought I'd never do it again – I could hardly walk with my hips. So, Paul from Reconnections visited me and we made a plan.

He introduced me to Reconnections volunteer Erica. Together, we went to the pool at Surrey Sports Park, which offers assisted swimming. A staff member met us with a wheelchair and showed us how to use the hoist into the pool.

Next thing, I was back in the water, swimming up and down the lanes. Erica said I was beaming! Out of the pool, things got even better. I walked back out to the car – no wheelchair required.

Erica is a good friend now. I'm back on my feet – and back in the pool.





Goal 2: Grants and partnerships

To develop a programme of support for organisations to strengthen the sector and develop an ecosystem of organisations working more cohesively together, to ensure that everyone has the opportunity to age well.

In 2021 we continued to help our charity community through the Independent Age Grants Fund, particularly helping to re-establish their face-to-face services. We also developed some valuable relationships, including through the Older People Funders' Collaborative, that will inform our future grant-making work.

“

It would be difficult to overstate the impact your grant has had at this difficult time.

**Cruse Bereavement Care
Scotland**

What we achieved

Through our grants, we distributed £932,000 to 75 organisations in two rounds. In their funding applications, these organisations told us that they had supported more than 115,000 older people through the challenges of COVID-19 in the previous year. The organisations we funded in 2021 included those supporting carers, people living with disabilities and refugees and, as in 2020, we provided funding to organisations right across the UK.

We convened a number of regional networking opportunities for the recipients of our grants and other applicants, which taught us much about the development needs of these organisations. It also gave us insight into how other organisations have evolved their services and support for older people during different stages of the pandemic.

Building on this work, we published Lessons from befriending in the time of COVID-19, in partnership with the Mercers' Company, a livery company focused on being a philanthropic force for good. This report highlighted the invaluable preventative role befriending services play, and the value and challenges of developing more blended – that is, online, phone and face-to-face – models of support.

We have also built a great relationship with The National Academy for Social Prescribing and are funding a National Older Persons Lead for a minimum of two years, with expenditure of £150,000 in 2021.

Future plans

In 2022 we will begin our new local grant-making work. This will see us adopt a conversation-based approach to partnering with organisations and convening groups of organisations. This, alongside our community-based teams, will support activities and services in Essex, Nottingham, and Tyne & Wear and Teesside.

We will also look at opportunities to support broader, thematic investment – in collaboration with others where possible – to develop best practice and collect data to support our ongoing policy work and wider efforts to influence change.

For example, this could mean bringing a range of funders together to tackle a particular problem like poverty or loneliness. And we'll work with communities where older people are facing significant inequalities so our support reaches those who need it most.

Through our strategic partnership with the National Academy for Social Prescribing in particular, we will deepen our understanding of local, regional and national support ecosystems. That means looking for opportunities to build the capacity of organisations that are working with older people to complement our grant-making work.

WomenZone's story

WomenZone is a Bradford-based charity that empowers women experiencing deprivation – including isolated older women and their families – to live happier, healthier lives.

During the pandemic, emergency response funds meant we could deliver group, digital one-to-one, self-help and interactive projects. We offered hot meals, culturally appropriate food parcels, and clothing, hygiene and activity packs to vulnerable older women.

Returning to face-to-face services, though, has been challenging. Community contacts need to be rebuilt. We still have some women who prefer to access our help online, particularly through our Chai and Chat sessions. And many older people living alone are still vulnerable and have limited access to information, advice and support in their first language, so our bilingual volunteers have been crucial to delivering these online sessions.

But Independent Age's flexible funding approach has been invaluable. It's helped us develop new activities, like music therapy, video storytelling, theatre performances and an intergenerational project. Now, we are beginning to build confidence and re-engage many more vulnerable older women in our community.





Goal 3: Policy and influencing

To be a catalyst for positive policy change, producing credible research and policy analysis, and use that insight to challenge the underlying causes of discrimination and inequality through effective policy and influencing activity.

We continued to monitor the ever-changing policy landscape in 2021, examining how proposed changes could affect older people. Our policy reports, briefings, consultation responses, joint letters, campaign actions, conversations with high-profile stakeholders and events highlighted the challenges people in later life face – but, most importantly, secured improvements to the social systems they rely on.

“

I think it's absolutely crucial that older people's voices are heard, particularly as many of us were brought up not to make a fuss, when actually we've got to.

Michaele

What we achieved

In 2021 we secured clarity around, and improvements to, COVID-19 guidance, making sure that government and NHS policies didn't disadvantage older people. This work resulted in more housebound older people receiving vaccinations at home.

We produced a report as co-chair of the Tackling Loneliness Network and shared evidence about what could be done to better support lonely older people. This contributed to the government allocating £2 million to fund organisations tackling loneliness.

We established the independent UK Commission on Bereavement and published our Grief encounters report, which shared people's challenges accessing support after the death of someone close to them. Alongside this we launched our Time to grieve campaign, which included delivering an open letter signed by nearly 8,500 people to the government calling for it to ensure that everyone, including older people, has access to emotional support if they need it following the death of a family member or friend.

We released new research and evidence about people's experience of waiting for surgery and the pandemic's impact on the mental health of people in later life. Our reports received extensive media coverage and we've been busy meeting decision-makers to progress our recommendations to get people the right support.

Our Credit where it's due campaign, to increase uptake of Pension Credit, also gained significant media coverage – and the support of more than 70 politicians. In 2021 this work contributed to the government improving how Pension Credit is signposted and funding an awareness day.

We launched our Lived Experience Advisory Panel (LEAP) made up of volunteers aged 65 and over. We have already received great insight from the LEAP around language to use when talking about bereavement and terminology they prefer when talking about campaigns.

Future plans

To inform and shape our policy analysis and recommendations – and make sure the voices and stories of diverse groups of older people are heard – we will continue to gather insight from our colleagues delivering services, older individuals, our campaigners and our LEAP.

We will commission new cutting-edge academic research, delving into the problems different groups of older people face. We will promote this work through our own, and public, communication channels to grow our reach.

To effect change at the highest levels, we will build our effective influencing strategies to progress our policy recommendations across the themes of health, care, bereavement and poverty.

We will build and grow our valuable relationships with stakeholders across our sector, devolved parliaments in the UK nations, think tanks and other organisations.

We will also continue to grow and diversify our network of campaigners, who support our key issues – to make sure we are representing people from all walks of life.

And we will launch a new pilot campaign capacity-building project, working with older individuals, groups and forums to help us find out what support they need to campaign on their own issues and we will create resources alongside them to support their goals.

Mike's story

I was married to my wife Inez for 55 years, before she died from an inoperable brain tumour. Her death came as a terrible shock. It was one of the hardest moments of my life. I felt completely alone.

I reached out to a bereavement charity, but they couldn't offer me anything. Then, I was online one day and came across Independent Age – and haven't looked back since.

They sorted me out with a regular visitor every week and a telephone friend to talk to every Tuesday evening. I felt terribly lonely after Inez died, but Elaine and Joanne have given me a new lease of life. We talk about all sorts of things, and they've encouraged me to start going to lunch groups again, which stopped during lockdown.

Independent Age's services are very well put together. I was left on my own but now I'm around people again.





Goal 4: Engagement

To develop a strong reputation and significantly raise our profile to help us drive change and build our community of support.

A strong profile and reputation is key to building our community of support and driving change. Our ongoing work producing authentic images and inspiring content – especially diverse and inclusive stories showing the real experiences of older people – is helping to bring this goal to life.

“

The people at Independent Age are very caring and concerned and want to do things for you.

Bob

What we achieved

In 2021 we welcomed many new members to our dedicated team, investing time to improve our work processes and support people to continue to work remotely.

With our refreshed team, we've been more responsive and worked more collaboratively across the organisation this year, which has helped us design and deliver fully integrated, quality campaigns, from brief to publication. These campaigns have included calling on supermarkets to suspend delivery charges for those more vulnerable to COVID-19 and launching the Patiently waiting and Grief encounters reports.

We built a more robust and visible case study process to deliver compelling stories in response to internal and external requests and updated our digital asset library, ResourceSpace, to give better search results.

On our website we started to prioritise basic 'site hygiene' updates, including fixing broken links and moving our key pages into a new flexible layout to improve our users' experience.

We've used insights and data to make the most of our day-to-day marketing and communications activities to improve our audience engagement. We've delivered a media and PR strategy and improved our media engagement, with more than 2,000 media mentions through national and regional print and broadcast channels, delivering exclusives, media surveys and partnerships.

We've brought more expertise in-house to control our brand, drive our creativity and responsiveness, produce audience insights and build those important cross-organisational relationships. But we've also looked outwards and worked closely with local community services and grant-fund recipients to commission new, authentic photography and case studies, showing real life and empowering older people to have their voices heard.

Future plans

A key piece of work for 2022 will be developing our brand proposition focusing on poverty, which will differentiate us by highlighting one of our most important areas of work and influence.

We will transition to a new database, through which we can better understand and engage our audiences and be more targeted with our marketing communications work.

Our media team will continue to build on the successful relationships it formed with journalists in 2021, and work to support our services in regional areas. We will also explore using celebrity ambassadors to increase the awareness of our brand.

We will implement our new social media strategy to improve engagement across our digital communications channels, working to engage existing followers as much as to bring new supporters to us.

Our in-house design studio will continue to create engaging and informative content, commission more diverse photography and video content, and continue to build our digital brand templates.

We will also reorganise our website, to make it easier for people to find and use our information and advice. It will help us promote income generation and campaigning objectives and make sure our content is what people want and need from us.

Yvonne's story

I'm 76 – a retired receptionist. I started getting Pension Credit five years ago. Before that I was on a very low income, scrimping and scraping. I thought it would be this way for the rest of my life. It felt like a bleak future.

But Pension Credit makes a huge difference. I can afford to have the heating on in winter and go out for a cup of coffee, which means I can socialise with friends again. I feel less isolated and alone now.

I've even been doing radio and broadcast interviews for Independent Age, giving an older person's perspective on things. One day my energy provider was listening and recognised me. They're now giving me extra support with my bills.

They call me a celebrity but, really, I'm worried about how far people's money will go as costs rise. It's so important that older people's voices are heard.





Goal 5: Financial sustainability

To build a financially sustainable organisation that can deliver on our vision and mission for older people, both now and in the future.

In 2021, once again, we made an operating deficit. Our aim is to grow and diversify our non-investment income such that we are able to meet the costs of our operations each year without relying on investment gains.

“

The relationship we have with Independent Age is mutually beneficial, a true partnership, and I feel really proud to be a part of it.

Ash Gould, Charity Committee Chair, Pension Insurance Corporation

What we achieved

Despite again having to adapt our planned fundraising activity around the pandemic, we saw income from donations and legacies of £3.6 million. Total net voluntary income of £1.9 million exceeded our budget for the year. We achieved this through a balanced fundraising programme, intended to provide sustainable future income.

But the pandemic's ongoing effects did mean that we couldn't complete all our plans this year, so we also saw an overall underspend on our operational budgets.

We appointed a new partner agency to review our public fundraising and make sure our programme is ready for a post-pandemic environment, including the relaunch of our Events and Community Fundraising programme. We also reviewed all our charitable activity, mapping it against fundraising activity and updating cases for support across the charity.

We completed the first stage of our project to explore opportunities for other forms of income, shortlisting three potential commercial options. A pilot is planned for 2022 with the aim of making a significant difference to our income over the next five or more years.

The support of our corporate partners, including new funding from Barclays and Vodafone, was also vital to us in 2021. Our partners kindly promoted our work, made substantial donations, sponsored our information materials and undertook employee fundraising activities. We also benefited from the generous support of trusts and foundations across the UK.

Future plans

In 2022 we will put more foundations in place to build our income sustainably over the next 10 or more years, making sure we have a diverse funding base and dedicated supporters.

Our Finance and Fundraising teams will work together to finalise our business case to funders, articulating our need for support and the impact we have in our work. We also aim to better understand our audiences – both individual donors and funding organisations – and pilot other income-generation activity to maximise our long-term funding.

This work will reduce our reliance on investment returns over time. It should also lead to greater financial support from the public, trusts, foundations and corporate partners.

Our organisational strategy is underpinned by a long-term financial model in which fundraising income grows over the next 10 years. This will ensure our charity's sustainability, as we spend down the investments that currently generate a high proportion of our income. We will keep this model updated in 2022 and beyond, as we continue to develop our strategy and fundraising plans following the setbacks of the pandemic.

Fran's story

I decided to run the London Marathon in 2021 in memory of my lovely mum, who died during the first lockdown. She was in a care home and none of her eight children was allowed to be with her when she died.

She was an amazing, inspirational woman. Seeing how difficult the end of her life was, given our awful care system and social attitudes to ageing, made me want to raise money for a charity that campaigns about that and makes a difference.

Of course, the marathon was amazing, exhilarating and sometimes horrible – all at the same time! The support from the crowds was incredible, especially seeing and hearing the Independent Age crew making a massive racket at Cutty Sark.

I raised more than £3,500 for Independent Age – and I know the money will be spent well, supporting individuals and campaigning for a better future for us all.





Goal 6: People and infrastructure

To be efficient, well run and a great place to work.

During the year we defined our strategy for equity, diversity and inclusion (EDI), produced internal policies and procedures, and made sure that all those choosing to volunteer with Independent Age are equipped with the tools, training and guidance they need to carry out their roles confidently and safely.

“

When I tell people I volunteer they think it's great. Volunteering is a wonderful thing for young people to do.
Prakiti, Volunteer

What we achieved

We work in partnership with our volunteers, recognising their contributions and supporting them in all aspects of their involvement. Volunteering is a two-way commitment and this year we've continued to make sure the experience of volunteering is an enriching one.

We conducted a full employee training-needs analysis across the charity in 2021 to identify the support needed to deliver our plans and to develop individuals.

We introduced our Buying Hub, a new procurement system, to formalise procurement processes, ensure careful control of expenditure and drive value for money.

We redeveloped our office to create more collaborative working spaces. When office working was possible, we encouraged employees into the office to collaborate with colleagues within and across teams. We focused on wellbeing, which included setting up a group of mental health first-aiders.

We've been working to upskill our employees in digital – we want to get it right and build their confidence. We'd like our telephone services to include digital services within the next year.

We produced an EDI strategy for all our work and all our people, including those who use our services, our employees, volunteers, partners, supporters and suppliers. This strategy is based on our emerging EDI principles and champions the differences and nuances that make each one of us unique.

Future plans

We will continue to train our employees in our new procurement process and Buying Hub, and will introduce a purchase-to-pay system to make purchasing and invoicing more efficient. We will also review our costs in detail again.

Over the next five years volunteering will become a more integral part of who we are and what we do. Volunteers will be involved in our national work and our office-based activity and will be the driving force behind our community hubs. We will create a sound structure to manage volunteering.

Having completed our analysis and data-cleansing work, we will embed a customer relationship management system across the whole charity by the end of 2022. This will replace all our legacy systems and provide a single source of information for more joined-up working. We're also running a data quality analysis exercise to improve our reporting.

Our learning and development will focus on strategic themes and make sure that employees and volunteers receive the training and coaching that best helps us deliver our agreed strategy.

Indu's story

My mum is 88 and lives thousands of miles away in India. I speak with her regularly, but I haven't seen her in person for a long time. That's why I think being a volunteer for Independent Age brings me so much comfort.

I've been visiting Valerie once a week for about three years. We talk about anything and everything. She has confided in me about being depressed and about losing her daughter. I'm there to listen whenever she needs it. I help her with things like medical appointments, too.

I feel if I can help look after Valerie, maybe someone will be there to do the same for my mum in India.

Volunteering is so rewarding, but you have to really want to get involved. You have to be very empathetic, but you get a lot in return. Always remember that who you're supporting could be your elderly parent.





Hear from our colleagues

Some of our employees reflect on what they've heard from older people and what they're proud of being involved with in 2021.

Liam Bowery, Digital and Phone Services Officer

It's a privilege to hear about the difference our volunteers make on a daily basis, but also the effect their relationships with older people have on them, too. It's great to know that people who were first introduced as a service user and a volunteer go on to consider each other as genuine friends, particularly in what has been a difficult time for everyone. This year we're encouraging many of those matches to take their friendships beyond Independent Age, so that we can support more people who need a little help staying independent.

Julie Bennett, Services Manager

I am so proud of our Community Services family and what they achieved in 2021, setting up the service. We imagined a person-centred approach, working alongside older people to help them stay independent. We never made assumptions and always tried to collaborate, despite the challenges the pandemic brought. Every week our team meets to review each case. We hear about the progress people have made – from going to the hairdressers and joining local clubs to meeting the volunteers who have help changed someone's life. It's often the small, gentle gestures that bring joy back to people. Just seeing them smile can make the biggest difference.



Kevin Tsang, Adviser

In 2021 I was most proud of supporting older people who were struggling financially. So many older people miss out on the benefits they're eligible for. Being able to do a detailed welfare benefits check for people meant that, sometimes for the first time, older people would get help with rising costs. Often older people were concerned about the need to pay for a television licence – identifying a welfare benefit that would help pay for that was great.

Amaani Khan, Campaigns and Public Affairs Assistant

I joined Independent Age in February 2021 and was amazed by the work of the Policy and Influencing team. In May we launched our Time to grieve campaign, which I feel particularly proud of, because I watched it unfold. The campaign centred around ensuring that emotional support was available after a bereavement. We wrote an open letter, calling on the government to fix bereavement support, which received 8,467 signatures, thanks to our wonderful campaigners. In November we went to parliament with four supporters and personally handed it to the minister, Gillian Keegan. I'm proud of the work we put into the campaign and its journey.



Mark Hayward, Head of Grants and Programme Development

In 2021, as we developed new services, we also developed the outcome framework underpinning those services. Balancing reach, outcomes and satisfaction, we hope that the data captured will help us quantify the difference we're making to individual older people and complement the storytelling that is such an important part of our work. Through our grant-making work, we know many organisations have found it challenging to capture relevant data to support their fundraising efforts and to lobby for change more widely. We are no different. But, with this new outcome framework in place, we are better positioned to demonstrate the impact we make as an organisation.

Josh Hack, Media and PR Officer

We're still a new media team at Independent Age, but I'm proud of the progress we've made. A notable success was the extensive coverage we received for our reaction to the Queen's Speech. This is always a busy day, when charities and politicians are vying to be heard, but we managed to get our message across that more needs to be done to improve social care. We're not just here to help older people: we also need to hear their thoughts on how society can be better for those in later life. Their lived experience is a valuable asset for Independent Age.

Tracy Bushnell, Volunteer Coordinator

Last June I became Teesside's Volunteer Coordinator. I'm proud of the volunteers who support our older people and the way they welcomed me to Independent Age during the change and uncertainty of the pandemic. One of my first duties was to talk with the existing volunteers about the service changing from a befriending model to an asset-based model – one that draws on the resources, capabilities and networks in the community. My hope is that our service and volunteers continue to grow and flourish and we become a real community asset in our own right.

Rahma Ali, Digital and Telephone Groups Coordinator

My proudest moment has to be our annual 'Telephone Christmas Party'. It started during the pandemic but was more popular this year. We hosted our biggest ever event, with older people from as far north as the Scottish Highlands right down to the south of Devon, joining in via their landline. The music was provided by the wonderful Music in Hospitals & Care who even learnt some of the requests of The Beatles, Jonny Cash, Etta James and Rag 'n' Bone Man. I look forward to hosting many more telephone events for older people who are unable to get online or out and about in their local communities.

Our Grants Fund at work



“

Some of our members told us that for several months, the only social contact they had with people outside their household was through the services provided by Hodan Somali Community and funded through this grant.

Hodan Somali Community, London

“

The grant helped us to put the necessary measures in place to ensure client and staff safety following a period when our income had been significantly reduced due to our services being shut down during lockdown.

Later Life Choices Glenrothes, Scotland

“

In those very hard times for the most fragile communities, we feel it is crucial funding is directed to help them and ensure none of those communities feel excluded.

Community Centre for Refugees from Vietnam, Laos and Cambodia, Hackney, London





“

Independent Age's generous support made it possible for Carers Network to respond so effectively to the unexpected circumstances of COVID-19 and the lockdown. Your grant made the new carers counselling project possible and for this we extend a sincere thank-you.”

Carers Network, London

“

In the hope that we are able to source further funding for the service, we have recruited six new volunteers, which will allow us to promote the service more widely, increase call frequency and reach more older people in the LGBT+ community.

LGBT Telefriends, Scotland

Governance structure and management

Under the guidance of our Chair, Baroness Julia Neuberger, DBE and our trustees, we continue to review and improve our governance in line with the Charity Governance Code, updated in 2020.

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.

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, setting out our objects, powers and byelaws. 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).

The 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.

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 results of Counsel and Care for the Elderly are consolidated into these accounts. A summary of Counsel and Care for the Elderly's results is shown in Note 12 to the Financial Statements on page 77.



Sometimes I phone the Helpline and ask them if they have booklets about things I want to know about. I like their little books about depression and home security and looking after yourself in winter.

Catherine



The charity is also responsible for several other linked charities, in particular 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 is registered for VAT. The company's income was £1 in 2021. 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. Summary trading results for Independent Age Enterprises Limited are shown in Note 12 to the Financial Statements on page 65.

Until 1 January 2021 Independent Age's work included the Campaign to End Loneliness (CEL) and responsibility for its governance and oversight. CEL transitioned to a new host organisation, the What Works Centre for Wellbeing, on 1 January 2021. CEL operated as a directorate within Independent Age; it had no legal identity separate from that of Independent Age and the trustees of Independent Age were legally responsible for its activity.

Our trustees

The Independent Age Board of Trustees meets regularly and is responsible for overseeing our performance and providing strategic direction.

Richard Anderson

Lucy Blythe

Karen Byrne

Michael Craston – until 19 May 2022

Karl Demian

Vivienne Dews

Guillermo Donadini – from 10 May 2022

Prof Caroline Glendinning – from 5 May 2022

Prof Martin Green, OBE – until 21 October 2021

John Hannaford – Treasurer

Simon Inchley

Lorraine Lander – until 2 September 2021

Baroness Julia Neuberger, DBE – Chair

Amit Patel

At 31 December 2021 the Board had 10 trustees. The Board met formally four times and informally once in 2021.

Simon Hewett-Avison, Director of Services

What a year! Despite the pandemic, rising inflation and cost-of-living pressures, we continued to provide support over the phone, online and in person to people across the UK.

We also continued to transition our services to make sure we're truly providing the support people need, without creating a dependency on us as an organisation. This has not been easy. We have encountered personal and professional challenges in shifting our approach, but we go into 2022 in a strong position.

We're building on our COVID-19 grant-making programme – which has distributed more than £3.3 million to nearly 280 smaller charities working with older people most affected by the pandemic – to begin a national programme of local grant-making in 2022. It's been humbling to be part of this work.

We still have a lot to do, and our amazing team of staff and volunteers are motivated and excited to drive us forward.



We're building on our COVID-19 grant-making programme.

The Board recruits trustees through an open recruitment and selection process. Trustees are required to abide by our code of conduct, including the declaration of other interests and fit and proper person assurance. All trustees receive an induction pack and training, so they are aware of key policies and procedures. They meet with senior employees, including directors, soon after joining the Board. 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.

Committees

The Board reviews the terms of reference of all committees and subcommittees annually. At the date of this report there are four committees and one subcommittee that have delegated authority and report to the Board.

Finance and Resources Committee

The Finance and Resources Committee (FRC) reviews budget and planning proposals and makes sure we have effective arrangements in place to safeguard and manage the charity's resources. It also oversees our statutory reporting, pensions, audit, HR, organisational development, IT and risk management arrangements. The FRC meets at least quarterly. It has one subcommittee, the Investment Subcommittee.

Governance and Nominations Committee

This committee reviews the structure, size and composition of the Board and its committees. It is responsible for succession planning of trustees and makes recommendations to the Board for the appointment of new trustees and the chief executive.

Marketing and Supporter Engagement Committee

This committee started to operate in 2021. It is responsible for overseeing the development of Independent Age's marketing, communications, profile-raising and supporter-engagement activities.

Services and Policy Committee

The Services and Policy Committee (SPC) oversees Independent Age's services and policy and influencing activity. The SPC provides insight and expertise in relation to developing Independent Age's service delivery, its grant-making and its policy positions.

Investment Subcommittee

The Investment Subcommittee (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.

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 reports on performance against targets.

Our Chief Executive during the year, Deborah Alsina, MBE left the charity in January 2022 and Stuart Rogers, Director of Corporate Services during the year, has been appointed Acting Chief Executive until June 2023.

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 21 to the Financial Statements on page 77.

SLT members are remunerated in line with the charity's pay framework, in the same way as other employees.

Remuneration statement and pay policy

Every role at Independent Age has been assigned to one of five levels within the pay framework. The pay band for each level is determined using benchmarking data obtained from a salary survey of other charitable and voluntary-sector organisations. We also benchmark against the Living Wage Foundation rates to make sure the salaries for more junior roles are either aligned with or above the London and UK real living wage rates.



We distinguish between roles that are London based and those roles based outside London, with separate pay bands for each. Salaries are openly stated in advertisements.

In 2021 we developed a pay policy to accompany our pay framework. In response to the significant changes to the job market, we made some refinements to our pay bands to make sure we could continue to attract and retain employees in an increasingly competitive environment. With effect from 1 January 2022 our pay bands were uplifted by 3.5%, and pay increments, to be applied after six- and 12-months' service, were introduced.

We do not operate any performance-related pay and we do not have a bonus scheme. Annual pay awards are not guaranteed, and the Board of Trustees considers affordability in determining whether any annual award should be paid.

Volunteers

We have a network of more than 1,500 active and committed volunteers across the UK.

Throughout 2021 our volunteers continued to navigate the challenges presented by COVID-19 restrictions, with some people continuing to telephone those who use our services and others returning to meeting safely in person.

We also recruited our first 57 Community Volunteers. These volunteers spend time over a six-to-nine-month period supporting people to achieve their goals. Those goals are as varied as the people we work with but, at the end of the nine months, we hope those who use this service will have increased their confidence and their connections within their communities.

Our volunteers make all the difference to the reach and impact of our work. We simply couldn't do what we do without them.

Helen Parker, Trust Director, John Laing Charitable Trust

The John Laing Charitable Trust has a key aim to combat the devastating effects of isolation among older people.

The Trust's decision to support Independent Age's Reconnections project was taken in the context of lockdowns, the increasing digitisation of our society and an ageing population. This has left more older people than ever facing loneliness and marginalisation. Many are desperate to re-engage but have no idea how or where to start and need support finding options that work for them.

Reconnections provides vulnerable older people with the tools to find their own path out of loneliness by working closely with them to build their confidence and re-engage.

I hope that our support will enable Reconnections to take root and grow, providing an enduring solution for many older and vulnerable people coping with isolation.



Reconnections provides vulnerable older people with the tools to find their own path out of loneliness.

Fundraising

In 2021 we generated £3.6 million in voluntary income and invested £1.7 million in our fundraising activity. This provided an overall return-on-investment ratio of 2.2:1.

This result exceeded our budget and was delivered in challenging circumstances, including continued economic uncertainty due to the pandemic, increased competition and employee turnover.

Our fundraising programme is maturing but much of it is still new and untested. While greater than budgeted this year, our return on investment is expected to fluctuate in the short term, before increasing steadily as our efficiency improves and our supporter base and profile grow.

We will continue to monitor results and review our fundraising strategy and other sources of income to make sure we have a diverse fundraising base – and that will mean we can continue to support older people through the pandemic and for years to come.

Thank you

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 £1.5 million. Thirty runners took part in three events last year: the Great North Run, Royal Parks Half Marathon and London Marathon, raising £20,000.
- We received fantastic support from regular partners such as the Pension Insurance Corporation (£54,000), Ikano Insight (£22,000), Fittleworth (£10,000), BlackRock (£7,000) and 3i Group (£70,000), while benefiting from new corporate partners including Barclays (£100,000) and Vodafone (£54,000). We enjoyed the support of 10 official corporate partners (i.e. those we work regularly with or have received a significant donation from) in 2021 and received a total of 112 donations from a range of businesses and their employees. Google provided advertising support to the value of £469,000.

- We continued to benefit from the support of several trusts and foundations, including Essex County Council (£35,000) and the Garfield Weston Foundation, which contributed £50,000 to our Reconnections programme. This programme also continued to benefit from the John Laing Charitable Trust's donation of £150,000 over three years.

Our approach to fundraising

Independent Age is committed to following best practice and complies with fundraising regulations. We subscribe to relevant fundraising regulatory bodies, including the Fundraising Regulator, the Lotteries Council and the Institute of Fundraising, and are registered with the Information Commissioner's Office.

We work with several specialist partner agencies and suppliers to help us deliver our fundraising offer. All our partner agencies adhere to their relevant regulations.

These specialist partnerships are essential to raising income to fund our vital work with older people and include:

Campfire Marketing

We worked with Campfire on the strategic delivery of our individual giving and legacy giving campaigns. Campfire is a member of the Direct Marketing Association.

GOOD Agency

We appointed GOOD to build on Campfire's support for our individual giving, events and legacy giving programmes. GOOD is a member of the Direct Marketing Association.

Woods Valldata

This agency supports the delivery of our individual giving campaigns and is our licensed external lottery manager. Woods is a member of the Chartered Institute of Fundraising and is registered with the Gambling Commission as our external lottery manager.

Angel

We worked with Angel on a lead-generation test campaign for lottery. Angel receives leads from My Offers.

Personal Fundraising Services (PFS)

We worked with PFS on a lead-generation test campaign for lottery. PFS is a member of the Chartered Institute of Fundraising.



How we monitor fundraising activity

Independent Age and its agencies' monitoring guidelines include:

- regular meetings
- monitoring performance, risk and complaints
- training
- observing and shadowing agency activity carried out on our behalf
- keeping senior management and trustees informed of performance
- regular consultation with other charities and regulatory bodies
- due diligence and data protection clauses in contracts.

Fundraising complaints

We received four complaints from individual donors or members of the public in 2021 compared with 18 complaints in 2020. All complaints were resolved. We make sure we learn from complaints and use them to improve our fundraising practice.

Where any of our partner agencies communicate with new or existing supporters, we require them to adhere to our procedures for communicating with vulnerable supporters and/or have their own procedures in place that are consistent with our own. Our procedures require a training session with fundraisers to educate them about communicating with vulnerable people. We also undertake call listening to make sure calls are carried out in the correct manner. This is to safeguard against fundraising behaviour that is intrusive, unreasonably persistent or coercive. Before working with any partner, we review their procedure and attend their fundraiser training, which includes communicating with vulnerable people.

We always respect the privacy of supporters and potential supporters. We adhered to the EU General Data Protection Regulations (GDPR) until January 2021, and now adhere to the UK GDPR and Data Protection Act 2018. Our privacy policy is available at independentage.org/our-privacy-policy.

Morgan Vine, Head of Policy and Influencing

Hearing from people in later life about the challenges they face is always incredibly eye opening and powerful.

Whether someone has struggled to access support after a bereavement, is waiting in pain for surgery, isn't able to access mental health treatment or has significant money worries, these stories help us to understand the key problems and what needs to be fixed.

It's a privilege to use this insight to call on decision-makers in national and local government and other institutions to improve the systems that we all rely on as we age.



Hearing from people in later life about the challenges they face is always incredibly eye opening and powerful.

Managing risk

We have a risk management process that allows the Board to monitor and manage risks to the charity.

These include:

- preventable risks, managed through risk assessments
- strategic risks, considered as part of the planning and budgeting process and managed through the strategic risk register
- external risks, primarily reviewed through the strategic planning and budgeting processes by considering potential scenarios.

In 2022 we are developing departmental operational risk registers.

The charity's strategic risks, which are risks which could prevent us from achieving the outcomes we want, are presented below.

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.

Impact

Failure to understand and evidence the impact we are making will affect our ability to improve our service offer and brand, to benchmark ourselves against others and to attract funding, partnership opportunities and expertise. We evaluate major pieces of work and are continuing to develop our key performance indicators, concentrating on reach, outcomes and satisfaction to make sure we can fully assess the impact of what we do.

Reputation

Our work and our impact could be damaged by a decision we take, because of a poorly managed serious incident, or through an association with third parties who are unethical or who develop a poor public profile.

We manage our reputation through our decision-making process, which is supported by the ethical policies we have in place and are continuing to develop. We also have plans in place to respond to major incidents and crises.

People and culture

Everything we do is dependent on our employees and volunteers and is for the benefit of older people. We monitor turnover and sickness, invest in training, use employee engagement surveys, and benchmark salaries to help retain and develop our people.

We have safeguarding and whistleblowing policies, procedures and training in place, and effectively manage our employees and volunteers, to make sure we deliver our services safely.



Dan has become a friend.
I admire him for volunteering,
and I enjoy talking to him
very much.

Tony



Financial sustainability

Our financial resources need to be invested and managed in a way that allows us to maximise impact now while remaining financially sustainable for the future. This risk is managed through our reserves and investment policies, and financial planning and reporting processes.

Trustees closely oversee these areas through the work of the Finance and Resources Committee and the Investment Subcommittee, which regularly report to the Board.

Compliance and infrastructure

We must meet our regulatory obligations to manage 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 make sure they remain fit for purpose.

External environment

Our external environment remains volatile, complex and uncertain. The COVID-19 pandemic had a material effect on our work once again in 2021 – and factors such as inflation, the domestic political agenda and geopolitical uncertainty are likely to affect the charity and its work in 2022.

To remain impactful against this backdrop, we need a keen focus on what's happening in the areas in which we work, and to have agile decision-making processes that enable us to react quickly to change.

We achieve this through clearly delegated authority to the SLT, regular meetings of the Board and its committees, incident response teams that focus on specific issues, financial re-forecasts, evaluations of the difference our work is making, and regular horizon scanning.

Karen Byrne, Trustee, Independent Age

Our work is increasingly focused on those older people who are in a precarious financial situation and as a result experience worsening inequalities, poor health outcomes and increasing social isolation. Delivering our objectives with the ongoing challenges of the pandemic in conjunction with the cost-of-living crisis has required enormous dedication, energy and resilience from our staff and volunteer team. Our team deserves massive respect and thanks.

This year I was particularly impressed by our policy and influencing activities, which included a high-profile campaign on access to supermarket delivery spots during the pandemic, calls for more support for those bereaved, alongside influential policy papers on mental health and the impact of NHS waiting lists.

I am also pleased that as we develop as a charity, we are learning about and gradually developing our approach towards equity, diversity and inclusion, which will be a major priority for us in the year ahead.



This year I was particularly impressed by our policy and influencing activities.

Financial review

Results for 2021

The Consolidated Statement of Financial Activities on page 50 sets out the financial results as required by the Accounting and Reporting by Charities: Statement of Recommended Practice (Financial Reporting Standard 102).

Overall, the Operating Deficit in 2021 was £5.1 million. However, reserves increased by £11.3 million in the year as a result of investment gains including the revaluation of properties and assets held for sale. The charity remains very dependent on its investments, which currently generate approximately 50% of its income.

Net voluntary income

Our net voluntary income position reflects ongoing investment in the charity's long-term fundraising strategy.

In 2021 our legacy income increased by 70%, while voluntary income from other sources fell by 38%. This reduction largely resulted from the additional income we raised in 2020 for our Grants Fund to support charities working with older people at greatest risk from COVID-19, which was not repeated in 2021 (see the next table for details). While we continue to benefit from investment made in fundraising programmes in the past few years, the ongoing impact of COVID-19 in 2021 meant community events and face-to-face fundraising activities could not take place again this year. Despite this, we have continued to raise funds from the general public through different routes, and total voluntary income in 2021 was in line with pre-pandemic levels.

Income type	2021 £000	2020 £000
Donations	1,626	1,566
Grants	394	1,682
Legacies	1,469	865
Events and lotteries	109	179
	3,598	4,292
Cost of raising voluntary income	1,659	2,060
Other income	10	69
Net voluntary income	1,949	2,301

Expenditure on charitable activities

Expenditure on charitable activities was £10.5 million, a reduction of £3.7million (26%) compared with 2020, as the charity moved into its new strategy period and continued to review its costs and operations. Total grant expenditure in 2021 was £1.5 million, compared with £3.3 million in 2020, due to the £2.5 million we committed to a Grants Fund to support smaller charities working with older people at greatest risk from COVID-19 in 2020.

Our 2021–23 strategy includes a focus on achieving long-term financial sustainability by building an organisation of the right shape and size to have the impact we want, and by making sure we achieve value for money with every pound we spend. We began work on this in 2020, introducing a new pay framework and undertaking a major restructure. In 2021 we completed the final stages of our organisational redesign to transform the way we deliver our work with older people, so we can become more focused and make sure we have greater impact in the communities we are working in. We stopped working in some areas while we embed our community work in Guildford and Waverley, Essex, Nottingham, and Tyne & Wear and Teesside. Our charitable expenditure accounted for 84p of every £1 of spending in 2021, compared with 86p in 2020.

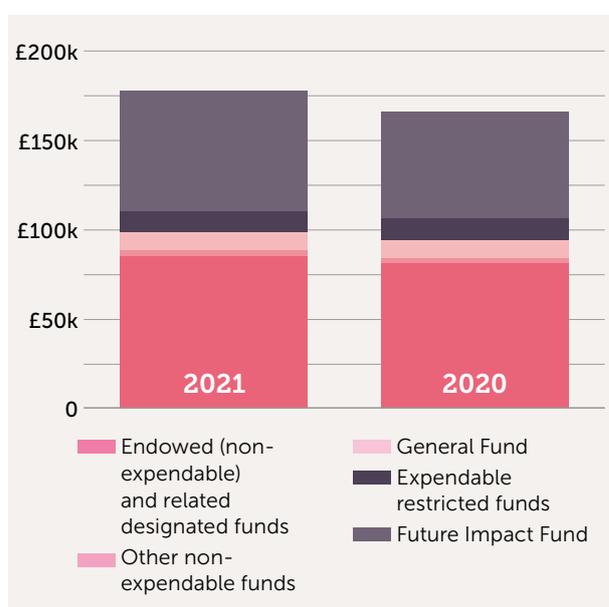


Making a phone call is really a small thing to me, but it can mean such a lot to someone else, and that in turns means a lot to me.

Jane

Reserves

Total funds increased by £11.3 million in the year, reflecting investment gains made. The general reserve, which is maintained at a level equivalent to one year's unfunded budgeted expenditure, has remained broadly stable at £9.8 million. The Future Impact Fund increased by £7.0 million as a result of the surplus generated from investment gains. We will invest these funds in growing impact in the coming years, as we continue to implement, and move beyond, our 2021–23 strategy.



Investment income and capital gains and losses

After the volatility of 2020, investment markets in 2021 saw strong growth, before falling again in 2022. The charity targets an average total return (including both income and capital) on the whole non-cash portfolio of 3.5% per annum above inflation (measured by the Consumer Prices Index (CPI)) over rolling periods of five years. Based on opening non-cash investments of £149.5 million, we would therefore have expected on average to generate a total return of around £13.3 million in 2021. Our investment portfolio instead delivered a total return of £18.3 million (£18.2 million net of costs). The trustees remain focused on our five-year rolling average benchmark, which at the end of December 2021 stood at 7.4% per annum. We also made a gain of £2.0 million on our investment properties and assets held for sale.

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 those designated by trustees for a specific purpose or because they are held in property and fixed assets. Independent Age generally reviews its free reserves policy annually, taking into consideration the major risks faced by the charity, their likely effect on income and planned expenditure, and an assessment of possible actions to mitigate those risks.

Endowment funds (£63.3 million)

These are permanent endowments. Trustees have elected to maintain the capital value of the endowments real terms, with CPI as the benchmark. The trustees have adopted a Total Return Investment policy in accordance with Charity Commission regulations, so that both capital gains and income from investments can be applied to income.

Except for funds that are associated with specific properties, the capital on these funds is invested to provide income for charitable activities. The investment policy aims to provide a return of 3.5% per annum above CPI on a rolling five-year basis.

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.

Should any year experience a return below CPI, then a negative balance will be transferred to the Unapplied Total Return Fund and either offset against any existing positive balance or held there until such time as future returns on the investments eliminate the negative balance.

Restricted reserves (£12.1 million)

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 used. Any capital gains or income are allocated to the restricted fund.

Unrestricted reserves

These are funds over which the trustees have discretion in how they are used to further the objects of the charity.

In accordance with Charity Commission guidance, some of these funds have been designated to mitigate the charity's financial risks and to indicate which reserves are held in property and fixed assets and are therefore not available as 'free' reserves.

General Fund (£9.8 million)

Having reviewed the risks to the charity, the trustees consider that 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 – is required to protect the activity of the charity. The balance of unrestricted reserves is transferred to the designated Future Impact Fund.

General Fund reserves at the Balance Sheet date are in line with this policy amount which has been calculated as £9.8 million. The trustees consider that this is sufficient to respond to short-term falls in income or increases in expenditure due to unforeseen circumstances.

Designated funds (£92.2 million)

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 remaining on target to meet the rolling five-year benchmark set by the trustees. This could result in charitable activity being underfunded, potentially for several years, because of market volatility.

Having taken professional advice, which included modelling the impact of previous falls in markets and the Value at Risk 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.

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 charity's intention to realise the value of the investment properties where possible, once the obligations to current tenants have been met.

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 used in the near to medium term to increase our impact.

More detail on these funds is contained in Notes 19 and 20 to the Financial Statements from page 73.

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 use unrestricted funds held in the Future Impact Fund to increase our impact.

While the charity drew down £5.9 million of investment capital to fund activities during 2021, strong investment performance resulted in an investment gain of £14.5 million. This took the total value of our investments from £165.1 million at 31 December 2020 to £173.7 million at 31 December 2021. The composition of the investment portfolio at 31 December 2021 is set out in Note 12 to the Financial Statements on page 65. While investment performance was extremely strong in 2021, investment markets have fallen in the first half of 2022.

During the year the Investment Subcommittee continued to closely monitor the performance and investment style of fund managers in light of the COVID-19 pandemic and other geopolitical events. £4 million was transferred from the Multi-Asset Credit Fund to the BlackRock Fund to maintain a balance of between 12 and 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.

Vivien's story

I always had a busy life, bringing up three children and working. I was a warden for sheltered accommodation for 10 years, and a mobile hairdresser and then became a paralegal working in the courts.

I gave up work when I got cancer – stomach and colon. That was rough. Now I live alone in sheltered accommodation. I'm 80 this year and a great-grandmother but not really enjoying my life.

I try to go out to the local shops and the hospital and to see my children. But tiredness stops me.

It was Independent Age that organised for me to have a volunteer. She rings me once a week, on a Thursday. We have a good talk and exchange ideas. She tells me about going to the theatre and I talk about when I used to play the piano and take part in concerts.

It's nice to have that call because, just when the pandemic started, I got depressed. The doctor asked me what was wrong. I said I had an electricity bill for £2,000. I don't know where it came from – I live in a one-bedroom flat.

I worried a lot about that bill. My daughter talked to them and arranged for me to pay £150 every month towards it. And I take antidepressants now, which have settled me down.

The cost of everything is going up. I get Pension Credit and disability allowance, which help. When you're alone you can stretch the food you have. I'm going to see what the food banks can offer when I can.

I remember when I worked with the elderly. They would come to me with their problems and I tried to help them. They had the same problems that I have now. It's my turn.

“

I had an electricity bill for £2,000. I don't know where it came from – I live in a one-bedroom flat.

We reviewed our approach to responsible investment during 2021. The trustees believe responsible investment is important to better align their approach to investing with the charity's purpose and to manage and mitigate financial and reputational risks.

The trustees have a strong preference for actively engaging with investment managers and companies over exclusion-based investment, because they believe this approach is both best practice and more likely to lead to changes in corporate behaviour.

However, the trustees believe that the charity should exclude material investments in tobacco and controversial weapons, because investing in:

- tobacco runs directly counter to the charity's strategy to improve health outcomes for older people
- controversial weapons presents sufficient risk to the charity's brand and reputation with current and future donors and beneficiaries to warrant exclusion.

The trustees believe that potential investments in climate-tilted funds and other climate-positive investment approaches should be considered in all future investment decisions. They believe such investments should be assessed on a financial basis, rather than being preferred on principle for environmental, social and governance reasons.

Given the size of the charity's investment portfolio, the trustees believe the most appropriate strategy for investing responsibly – while maximising risk-adjusted financial returns – is to appoint investment managers and invest in pooled investment funds. These, where practical and proportionate, align with the trustees' beliefs on responsible investment and to hold them actively to account for the performance of those funds.

Grant-making policy

Responding to the impact of COVID-19 in 2020, we quickly established the Independent Age Grants Fund to support smaller charities working with older people with unrestricted funding.

During 2021 we continued our work, supporting 75 organisations and awarding £932,000 to help them re-establish their face-to-face services.

We committed to work with the National Academy for Social Prescribing (NASP) granting it up to £350,000 over three years. Of this, £150,000 was committed in 2021 and has been accounted for in that year.

In 2022, using the learning we gained from our Covid-19 grants fund, we are developing a new local grant-making programme. This will entail making multi-year grants to enable us to build longer term relationships with community organisations to provide them with more certainty, and enable us to grow our reach and impact. Through this programme we will provide more support to those older people living in or close to the poverty line and/or facing inequalities. We will also explore the possibility of working in collaboration with other funders to make much larger grants focused on addressing particular issues in later life.



The grant helped us to build our capacity to support senior people in this difficult time in a more meaningful way. It has also given us confidence in moving forward and understanding the complex needs of the people.

Aspara Arts, Croydon



We also continue to make regular grant payments directly to older people, although we no longer accept new applications for direct support. We paid out £724,000 in 2021 (2020: £1.1 million) to more than 1,000 older people as part of this programme. Taking into account movements in the provision and discount rate for regular (annuitant) payments, there was a credit of £50,000 to expenditure for direct grants to older people in the year.

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 purpose.

Our work benefits thousands of older people, 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.

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.

Louise Tully, Head of Community Services – England

I have been excited to start delivering our new way of working, supporting older people to find friendships and long-lasting connections. 2021 was a year of change where we made our befriending service a legacy project and launched asset-based community development projects in Essex, Nottingham, and Tyne & Wear and Teesside.

Our staff are passionate about supporting older people to find routes out of loneliness. I have seen wonderful examples of older people reconnecting with past hobbies, meeting new friends and finding purpose in newly adopted activities. Our volunteers have supported older people to reignite their passions and interests, helping them find renewed purpose and lasting connections.

It's an exciting time to be part of the Community Services team and I'm looking forward to all the possibilities that 2022 can bring.



Our volunteers have supported older people to reignite their passions and interests.

Statement of trustees' responsibilities

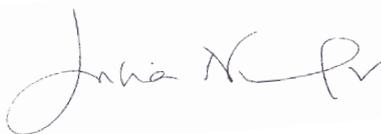
The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law, applicable to charities in England and Wales and Scotland, requires 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 group and 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 21 September 2022 and signed on its behalf by:



Baroness Julia Neuberger, DBE
Chair of the Board of Trustees



Ismael's story

I came to England from Trinidad and Tobago in my 20s, outgoing and confident and always smiling.

Then, in 2003, I lost the sight in my left eye after an infection and was left with partial sight in my right eye. That shocked me. It took away a lot of my charm and the person I was before. It even took away my smile for a while. I couldn't work as a decorator any more. It felt like the end of my life.

I'm in my 60s now and I've found it harder to make friends since I've had a visual impairment. People look at you differently.

“

Technology has really changed my life... I don't feel so lonely now.

I was feeling a bit lonely when I contacted Independent Age. They put me in touch with two volunteers: Juliet, who chats on the phone with me and Mert, who would drop by for a walk and a coffee. Mert's really getting me out and about again – we've even been running together at the local track.

Now I also take part in Independent Age's regular coffee mornings with older people, on Zoom. I've got to know the group and it feels like I'm in the room with them. Last week we were talking about food from different countries, so I told them about coconuts and yams and saltfish, and about the green bananas we cooked in Trinidad. They were such carefree days when I was growing up, and I had so many friends. It's good to share experiences.

Technology has really changed my life. I've made friends but I've also learnt to touch type, done an online photography course, can use online banking, and read the news and my emails on my smartphone. I don't feel so lonely now.

Independent Auditor's Report to the Trustees of Royal United Kingdom Beneficent Association (Independent Age)

Opinion

We have audited the financial statements of Royal United Kingdom Beneficent Association (Independent Age) (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group and Parent Charity 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 FRS 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 2021 and of the group's and parent charity'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 and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 and the terms of the Royal Charter.

Basis for opinion

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 151 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 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' annual report; or
- proper and sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 42 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group 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 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

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charity operate in and how the group and parent charity are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities and Trustee Investment (Scotland) Act 2005, regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the parent charity's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and inspecting correspondence with local tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to General Data Protection Regulations and Care Act 2014 and safeguarding regulations. We performed audit procedures to inquire of management whether the charity is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 and the terms of the Royal Charter. 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

27 September 2022



Judy's story

It was after my husband died that I started to feel lonely. Howard and I married when I was 20 and had a lovely life. We were very sociable people – we were the ones who gave the parties.

Howard died 17 years ago. It had just been the two of us – and then there was just me.

I'm 84 and very rarely go out now. I have osteoarthritis and I'm in pain a lot. There are days when I don't speak to anyone at all or even see another face.

“

I have so many stories to tell. Talking to someone young brings back all the memories.

When I saw an advertisement for Independent Age I decided to get in touch. I felt I wanted to speak to someone. I have so many stories to tell.

Imogen and I talk every Sunday for at least half an hour. It's lovely that a young person is interested in an old person like me. In my head I'm still 21.

She's so interested in my past – about when I lived in Australia, and about the war. I grew up in London and we left just two days before our house was bombed and our neighbours were killed. I still feel lucky to be alive.

Maybe it makes me feel younger talking to someone young. It brings back all the memories.

I think it's absolutely beautiful for a young person to volunteer. I really appreciate it and I'm grateful to Independent Age for organising it.

Imogen and I have known each other for two years now and are such good friends – we've even met in person. So, it's a good time for us to carry on the friendship ourselves. But we know Independent Age is there for support through the Helpline or the Information and Advice team if we need it.

Financial statements

“ My allotment is the major thing that has helped to keep me active and connected to others.

Cleveland





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Consolidated Statement of Financial Activities

for the year ended 31 December 2021

					Year to 31 December 2021	Year to 31 December 2020
	Notes	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Total funds £000	Total funds £000
Income and endowments from:						
Donations and legacies	2	2,923	566	-	3,489	4,113
Other trading activities		109	-	-	109	179
Investment income	3	1,084	107	2,547	3,738	4,324
Other income		10	-	-	10	69
Total income and endowments		4,126	673	2,547	7,346	8,685
Expenditure on:						
Raising funds						
Raising voluntary income	4	1,659	-	-	1,659	2,060
Investment and property management		206	13	65	284	274
Total cost of raising funds		1,865	13	65	1,943	2,334
Charitable activities						
National services	4	1,305	2,347	-	3,652	3,763
Community services	4	2,145	1,218	-	3,363	3,892
Policy and influencing	4	2,043	-	-	2,043	3,296
Grant-making	4, 5, 19	968	500	-	1,468	3,277
Total cost of charitable activities		6,461	4,065	-	10,526	14,228
Total expenditure		8,326	4,078	65	12,469	16,562
Operating (deficit)/surplus		(4,200)	(3,405)	2,482	(5,123)	(7,877)
Gains/(losses) on investment assets	11, 12, 14	5,417	3,104	8,028	16,549	(210)
Net income/(expenditure)		1,217	(301)	10,510	11,426	(8,087)
Transfers between to/from unapplied total return fund	19	7,316	-	(7,316)	-	-
Other recognised gains/(losses)						
Actuarial loss on defined benefit pension scheme	18	(114)	-	-	(114)	(177)
Net movement in funds		8,419	(301)	3,194	11,312	(8,264)
Fund balances brought forward at 1 January		93,590	12,431	60,148	166,169	174,433
Fund balances carried forward at 31 December	19	102,009	12,130	63,342	177,481	166,169

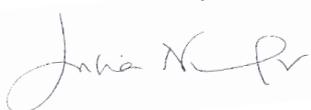
All of the above results are derived from continuing activities. There are no other recognised gains or losses other than those stated above. Notes 1 to 25 form part of the financial statements.

Group and Charity Balance Sheets

as at 31 December 2021

	Notes	Group 2021 Total funds £000	Group 2020 as restated Total funds £000	Charity 2021 Total funds £000	Charity 2020 as restated Total funds £000
Fixed assets					
Tangible assets	9	1,883	1,920	1,883	1,920
Intangible assets	10	24	41	24	41
Investment properties	11	2,350	2,270	2,350	2,270
Investments	12	173,730	165,101	173,730	165,101
Concessionary loans	13	63	78	63	78
Total fixed assets		178,050	169,410	178,050	169,410
Current assets					
Assets held for sale	14	1,925	-	1,925	-
Debtors	15	967	1,183	1,039	1,183
Cash at bank and in hand		2,981	2,140	2,892	2,067
Total current assets		5,873	3,323	5,856	3,250
Creditors: amounts falling due within one year	16	(1,847)	(1,380)	(1,847)	(1,380)
Net current assets		4,026	1,942	4,010	1,870
Total assets less current liabilities		182,076	171,352	182,059	171,280
Provisions: amounts falling due after more than one year	17	(4,595)	(5,297)	(4,595)	(5,297)
Net assets excluding pension asset		177,481	166,055	177,464	165,982
Defined benefit pension asset	18	-	114	-	114
Net assets including pension asset		177,481	166,169	177,464	166,096
The funds of the charity					
Endowed funds	19	63,342	60,148	63,342	60,148
Restricted funds		12,130	12,431	12,130	12,431
Unrestricted funds					
Designated funds		92,210	83,995	92,210	83,995
General fund		9,799	9,595	9,782	9,522
Total unrestricted funds		102,009	93,590	101,992	93,517
Total charity funds		177,481	166,169	177,464	166,096

Approved by the Board of Trustees and authorised for issue on 21 September 2022 and signed on their behalf by:



Baroness Julia Neuberger, DBE, Chair

Notes 1 to 25 form part of the financial statements.

Group and Charity Statements of Cash flows

for the year ended 31 December 2021

	Notes	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Net cash outflow from operating activities					
Net cash used in operating activities	22	(8,722)	(13,105)	(8,738)	(13,118)
Cash flow from investing activities					
Payments to acquire tangible fixed assets	9	(110)	-	(110)	-
Payments to acquire intangible fixed assets	10	-	(51)	-	(51)
Receipts from sale of tangible fixed assets		-	1	-	1
Net proceeds on disposal of property held for sale		-	1	-	-
Payments to acquire investments	12	(17,500)	(15,935)	(17,500)	(15,935)
Net proceeds on disposal of investment property		-	270	-	270
Loan repayments received		20	10	20	10
Receipts from sales of investments and cash transfers		23,415	22,924	23,415	22,924
Interest received	3	-	3	-	3
Dividends received	3	3,684	4,262	3,684	4,262
Rents received from investment properties	3	54	59	54	59
Net cash flow from investment activities		9,563	11,544	9,563	11,543
Net increase in cash and cash equivalents					
Cash and cash equivalents at 1 January		2,140	3,701	2,067	3,641
Cash and cash equivalents at 31 December		2,981	2,140	2,892	2,066
		2021 £000	2020 £000	2021 £000	2020 £000
Cash and cash equivalents		2,981	2,140	2,892	2,066

Cash and cash equivalents includes £nil (£153,000 in 2020) 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 2021

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 going concern basis has been adopted because, having considered the risks and uncertainties to which the charity is exposed, and the current strong reserves position, the trustees have a reasonable expectation that Independent Age will continue in operation for the foreseeable future and meet its liabilities as they fall due.

The statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (updated in October 2019) – Charities SORP FRS 102, and the Charities Act 2011 and the Charities and Trustees (Scotland) Act (2005) and the Charities Accounts (Scotland) Regulations 2006.

The Consolidated Statement of Financial Activities, Group Balance Sheet and Group Statement of Cash Flows consolidate the financial statements of Independent Age and Counsel and Care for the Elderly (Counsel and Care, which is a registered charity (203429) and a limited company (645708)). For the purposes of the financial statements, Independent Age is deemed to control 100% of Counsel and Care because 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 are shown in Note 19 and a summary of results is in Note 12.

The Consolidated Statement of Financial Activities, Group Balance Sheet and Group Statement of Cash Flows do not include its subsidiary, Independent Age Enterprises Limited (IAE Ltd), a limited company (04735201). For the purposes of the financial statements, Independent Age is deemed to control 100% of IAE Ltd being its sole shareholder. However, actual income and expenditure and the financial impact of this subsidiary are immaterial in the context of the charity, and therefore its results are not consolidated. Summary trading results for IAE Ltd are shown in Note 12.

The net movement of funds of Independent Age, the charity, was £11,369,000 (2020: £8,225,000 deficit). The charity's **income and expenditure** is shown in Note 25.

The charity has been entered on the Scottish Charity Register (SC047184) as of 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 pounds and are 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 that 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 Trust Fund, Backsettown Endowed Charity and Wharton & Wittrick Fund. As such, the Board of Trustees considers and approves resolutions specific to these funds as appropriate.

As shown in Note 1 c) the trustees are required to maintain the capital of these funds, but they may choose to spend some or all of the income and the Unapplied Total Return – see Note 19.

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.

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 that 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.

General Fund

This Fund represents the charity's free reserves, equivalent to one year's unrestricted charitable expenditure, other than the amount funded by the endowment funds, to protect the planned activity of the charity from unforeseen shortfalls in income or unplanned additional costs.

Further details of the charity's funds are disclosed in Note 19.

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.

Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Legacy gifts are recognised on a case-by-case basis following the granting of probate and when sufficient information has been received to judge the receipt of income as probable. 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. 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 (that is, the price the charity would have paid on the open market). An equivalent amount is recognised in costs. 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 on 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 on notification by our investment adviser 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.

Where investment management costs incurred within a scheme can be measured with reasonable accuracy, costs are included within cost of raising funds. Where it is not practicable to identify such costs with reasonable accuracy, the investment income is reported net of these costs.

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. The charity is not registered for VAT so is unable to recover any VAT 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.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment. A constructive obligation arises when:

- the charity has communicated its intention to award a grant to a recipient who then has a reasonable expectation that they will receive a grant, or
- the charity has made a public announcement about a commitment that is specific enough for the recipient to have a reasonable expectation that they will receive a grant.

Grants are not usually awarded with conditions attached. However, when they are then those conditions have to be met before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised, but an appropriate designation may be made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met, then no liability is recognised but a contingent liability is disclosed.

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 comprise direct expenditure, including 20% of the total costs of raising voluntary income invested in generating funds to further the objects of the charity for information and advice, and a proportion of the support costs.

Support costs include governance costs and other indirect costs. Governance costs comprise all expenditure involving the 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
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No value has historically been recorded for freehold land owned by the charity because it cannot be practically measured.

Intangible assets

Computer software	3 years
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Representing 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 15. 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 Note 16. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, because 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 loans are not subject to interest charges. The practice of awarding such loans was ended in May 2014 and no further loans will be made.

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.

A provision for non-repayment is made against the aggregate value of loans issued and is reviewed annually. The provision has been calculated as 67% (2020: 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.

k) Regular payments provision

These are life-long bimonthly payments made to individuals (annuitants). Payments are no longer awarded to new beneficiaries. 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 a rate based on the discount rate used for the defined benefit pension scheme, adjusted for the differing expected timeframes of the two liabilities. The movement on the regular payments provision is included within grant-making 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.

Regular payments due in more than one year had previously been shown as creditors, but have been reclassified as provisions as they represent an estimate of future outflows and therefore there is some uncertainty in the accounting estimates used in their calculation. As the amounts are material, the 2020 balance sheet has been restated to reflect this reclassification.

l) Pensions

Independent Age operates a defined contributions pension scheme for its staff. Contributions are accounted for in the period to which they relate. This scheme has been accredited for the purposes of auto-enrolment.

Independent Age also operates a defined benefits (final salary) pension scheme, which is closed to new members and to future accrual. 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 18.

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.

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 (210729) and as such is entitled to certain tax exemptions on income and profits on investments and surpluses on any trading activities carried on to further the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

o) Redundancy and termination payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charity is demonstrably committed to terminate the employment of an employee or group of employees before normal retirement date. The charity is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

p) Critical accounting estimates and judgements

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

- defined benefit pension liability – measurement requires a number of significant assumptions as disclosed in Note 18
- regular payments provision – the charity provides for future regular payments to its annuitants, a life-long commitment to each individual. Estimation uncertainty arises from the discount rate applied to reflect the time value of money, and assumptions around life expectancy. Further details of how this provision is calculated can be found in Note 17.
- investment properties – the charity holds a number of investment properties that it carries on the Balance Sheet at fair value. Measurement requires a number of assumptions about local market conditions and other factors, which are outlined in Note 11
- assets held for sale – these are investment properties held for sale at the Balance Sheet date carried at fair value. Measurement requires a number of assumptions about local market conditions and other factors. A valuation was carried out using the average of the three highest bids received, net of abnormal costs, as its starting point. This average was then discounted because planning permission has not yet been given and because of access concerns, as outlined in Note 14.

2. Donations and legacies

Current year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2021 Total £000
Donations	1,434	192	-	1,626
Grants	27	367	-	394
Legacies	1,462	7	-	1,469
	2,923	566	-	3,489

Donations include £470,683 (2020: £397,811) of donated services received in the year.

Grant income includes £nil (2020: £524,324) in restricted grant funding relating to the Campaign to End Loneliness (CEL) of which £nil was received from the National Lottery Community Fund (2020: £459,325). CEL was transferred to a new host, the What Works Centre for Wellbeing (WWCW), on 1 January 2021. £152,000 in cash was transferred to WWCW, representing £153,000 of payments received in advance from the National Lottery, less £1,000 of CEL's expenses paid in advance. The charity has no ongoing relationship with WWCW save that it transfers any funds it receives for CEL in error to WWCW.

Income from grants includes £83,609 from government sources, including the National Lottery Community Fund, local authorities and Clinical Commissioning Groups (2020: £559,325) and £5,109 from the Coronavirus Jobs Recovery Fund (2020: £nil). There are no unfulfilled conditions or other contingencies attaching to grants recognised as income in either year.

Previous year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2020 Total £000
Donations	1,499	67	-	1,566
Grants	17	1,665	-	1,682
Legacies	865	-	-	865
	2,381	1,732	-	4,113

3. Investment income

Current year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2021 Total £000
Dividend income	1,030	107	2,547	3,684
Investment property rental income	54	-	-	54
	1,084	107	2,547	3,738

Previous year	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2020 Total £000
Fixed interest income	3	-	-	3
Dividend income	1,877	328	2,057	4,262
Investment property rental income	59	-	-	59
	1,939	328	2,057	4,324

4. Expenditure allocations

Current year	Raising voluntary income £000	National services £000	Community services £000	Policy and influencing £000	Grant-making £000	Marketing and comms £000	2021 Total £000
Staff costs	507	1,442	1,368	722	199	546	4,784
Non-staff costs	1,210	640	188	161	1,075	548	3,822
Subtotal – Direct costs	1,717	2,082	1,556	883	1,274	1,094	8,606
Support costs	357	572	1,514	577	137	422	3,579
Subtotal – All costs	2,074	2,654	3,070	1,460	1,411	1,516	12,185
Reallocation – Fundraising	(415)	415	-	-	-	-	-
Reallocation – Marketing and comms	-	583	293	583	57	(1,516)	-
Expenditure by charitable activity	1,659	3,652	3,363	2,043	1,468	-	12,185
Investment and property management							284
Total expenditure							12,469
Previous year							2020
	Raising voluntary income £000	National services £000	Community services £000	Policy and influencing £000	Grant-making £000	Marketing and comms £000	Total £000
Staff costs	737	1,116	1,807	1,261	129	1,083	6,133
Non-staff costs	1,470	560	357	443	2,970	570	6,370
Subtotal – Direct costs	2,207	1,676	2,164	1,704	3,099	1,653	12,503
Support costs	368	711	1,298	731	94	583	3,785
Subtotal – All costs	2,575	2,387	3,462	2,435	3,193	2,236	16,288
Reallocation – Fundraising	(515)	515	-	-	-	-	-
Reallocation – Marketing and comms	-	861	430	861	84	(2,236)	-
Expenditure by charitable activity	2,060	3,763	3,892	3,296	3,277	-	16,288
Investment and property management							274
Total expenditure							16,562

The Campaign to End Loneliness (CEL) was transferred to a new host organisation, the What Works Centre for Wellbeing, on 1 January 2021. Until its transfer to a new host, Direct Campaigning costs included amounts relating to CEL of £nil (2020: £571,419). On behalf of the partnership of all five organisations on the 'management group' Independent Age had responsibility for employing the staff and managing the budget of CEL.

Support costs	Staff costs £000	Non-staff costs £000	Total 2021 £000	Staff costs £000	Non-staff costs £000	Total 2020 £000
Chief Executive's office	188	5	193	239	16	255
Director of Corporate Services	93	20	113	191	31	222
Facilities	235	483	718	212	575	787
ICT	705	583	1,288	622	598	1,220
People and Organisational Development	356	360	716	364	380	744
Finance	443	20	463	392	86	478
Governance	44	44	88	40	39	79
	2,064	1,515	3,579	2,060	1,725	3,785

Governance costs	2021 £000	2020 £000
Auditor's remuneration for the statutory audit of the financial statements	34	38
Trustee recruitment fees	9	-
Trustees' meetings including expenses and AGM costs	1	1
Staff costs	44	40
Total governance costs	88	79

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

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

5. Regular payments and grants

	Grants £000	Support costs £000	2021 £000	2020 £000
COVID-19 support grants to organisations	932	421	1,353	2,842
Grant to National Academy for Social Prescribing	150	15	165	-
Supporting individual beneficiaries (annuitants)	(58)	8	(50)	435
	1,024	444	1,468	3,277

In 2021 the charity expended £1,353,000 (2020: £2,842,000) on COVID-19 support grants to 75 local community organisations. The charity also expended £150,000 on a grant to National Academy for Social Prescribing. The negative expenditure on grants supporting individual beneficiaries results from movement in the annuitants' provision (see note 17).

6. Staff costs and employee benefits

	2021 £000	2020 £000
Salaries	5,803	6,839
Temporary staff costs	9	152
Employers' National Insurance	577	688
Employer defined contribution pension costs	453	494
Employer defined benefit pension costs	6	20
	6,848	8,193
Redundancy and termination payments	64	78
	6,912	8,271

Total remuneration of the key management personnel (the trustees with the Senior Leadership Team, comprising the chief executive and directors), including pension and National Insurance contributions, was £614,251 (2020: £631,671).

No trustees received nor waived any remuneration.

In 2021 we completed the final stages of our organisation redesign. This change was needed to transform the way we deliver our work with older people, so we can become more focused and make sure we have greater impact in the communities we are working in. We stopped working in some areas while we embed our community work in Guildford and Waverley, Essex, Nottingham, and Tyne & Wear and Teesside. The organisational redesign resulted in some redundancy and termination costs in 2021 and 2020.

7. Average monthly staff numbers

	2021	2020
National Services and Grant-making	31	25
Community Services	41	47
Policy and Influencing	17	25
Fundraising	11	12
Marketing and Communications	12	18
Support Services	39	33
	151	160

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

	2021	2020
£60,001–70,000	3	9
£70,001–80,000	2	4
£80,001–90,000	4	8
£90,001–100,000	-	-
£110,001–120,000	1	1
	10	22

9. Tangible fixed assets

	Freehold land and buildings £000	Plant and machinery £000	Fixtures, fittings and equipment £000	Totals £000
Charity and Group				
Cost				
As at 1 January 2021	1,215	1,119	309	2,643
Additions	110	-	-	110
Disposals	-	-	(69)	(69)
Total	1,325	1,119	240	2,684
Depreciation				
As at 1 January 2021	147	357	219	723
Depreciation charge in the year	28	56	30	114
Disposals	-	-	(36)	(36)
Total	175	413	213	801
Net book value				
As at 31 December 2021	1,150	706	27	1,883
As at 31 December 2020	1,068	762	90	1,920

10. Intangible fixed assets

	Computer software £000	Totals £000
Charity and Group		
Cost		
As at 1 January 2021	601	601
Additions	-	-
Disposals	-	-
Total	601	601
Amortisation		
As at 1 January 2021	560	560
Amortisation charge in the year	17	17
Total	577	577
Net book value		
As at 31 December 2021	24	24
As at 31 December 2020	41	41

11. Investment properties

	2021 £000	2020 £000
As at 1 January	2,270	2,300
Disposals	-	(200)
Revaluation	180	170
Transfer to Assets held for sale	(100)	-
As at 31 December	2,350	2,270
Historic cost	1,332	1,373

The investment properties were last independently valued as at 31 December 2014 by a combination of external surveyors, use of the Royal Institution of Chartered Surveyors 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, that investment properties are carried at fair value at the Balance Sheet date.

In addition to the properties held on the balance sheet, the charity owns a reversionary interest in two properties not included in the accounts. The charity will acquire the properties, in full or in part, on the death of the residents, and its interest has not been valued.

12. Investments

	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	2021 £000	2020 £000
Charity and Group					
Quoted investments	86,721	10,082	54,565	151,368	140,181
Quoted liquid funds	13,585	-	-	13,585	15,584
Non-quoted investments	-	-	8,777	8,777	9,336
Investments held with fund managers	100,306	10,082	63,342	173,730	165,101

	2021 £000	2020 £000
Reconciliation of investments held with fund managers		
Market value at 1 January	165,101	172,543
Additions	17,500	15,935
Disposals	(17,500)	(22,718)
Net unrealised gains/(losses)	14,544	(453)
Movement in cash	(5,915)	(206)
Market value at 31 December	173,730	165,101
Historical cost at 31 December	147,332	141,151

	2021 £000	2020 £000
Investments held with fund managers – analysis by type		
UK equities	31,358	27,234
Global equities	69,798	48,070
Diversified growth funds	29,164	40,104
Infrastructure	8,777	9,336
Multi-asset credit	21,048	24,773
Quoted liquid funds	13,585	15,584
	173,730	165,101

The charity has invested £1 in the share capital of its wholly owned trading subsidiary, Independent Age Enterprises Limited (IAE Ltd).

IAE Ltd handles the non-charitable activities of Independent Age. It donates all its profits to the charity by Gift Aid. As such, no Corporation Tax is payable. Its income in 2021 was £1 (2020: dormant).

	2021 £000	2020 £000
Current assets	9,052	9,052
Current liabilities	(9,051)	(9,051)
Shareholder's funds/total net assets	1	1

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 2021, the income for Counsel and Care was £17,000 (2020: £3,000) and expenditure was £73,000 (2020: £41,000). Total net assets value was £17,000 (2020: £73,000).

13. Concessionary loans

	2021 £000	2020 £000
Charity and Group		
Loan balance as at 1 January	287	303
Loans repaid	(20)	(10)
Impairment	(28)	(6)
Total loans outstanding	239	287
Provision	(176)	(209)
	63	78

These loans represent interest-free advances to qualifying beneficiaries in furtherance of the charity's 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 will be made.

14. Assets held for sale

	2021 £000	2020 £000
Charity and Group		
As at 1 January	-	-
Transfer from investment properties	100	-
Revaluation	1,825	-
As at 31 December	1,925	-
Historic cost	41	-

As at 31 December 2020, Independent Age's land at Henfield was held at a carrying value of £100,000, representing the charity's best estimate of its agricultural value. During 2021, the land was included in Horsham District Council's Development Plan, which was ratified by local referendum in July 2021. This paved the way for the land to be used for residential development rather than just for farming. The land now has a notional allocation of 30 properties.

The charity marketed the land in 2021, and received a number of bids for the site. An offer based on a scheme of 29 units was accepted in November 2021. The offer was subject to planning permission for the redevelopment.

Exchange of contracts has been delayed by various matters, including access concerns, which may result in additional costs to create suitable access or require the creation of a new access point.

The trustees instructed their advisers, Daniel Watney LLP, to revalue the land as at 31 December 2021. Daniel Watney LLP is registered with the Royal Institution of Chartered Surveyors (RICS). The starting point for this valuation was the average of the three highest bids received, net of abnormal costs. This average amount was then discounted because planning permission has not yet been given and because of the access concerns.

On this basis the land has been revalued by £1,825,000 to a value of £1,925,000.

15. Debtors: amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Trade debtors	7	8	7	8
Other debtors	98	125	170	125
Prepayment	231	299	231	299
Accrued income	631	751	631	751
	967	1,183	1,039	1,183

16. Creditors: amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Trade creditors	529	270	529	270
Regular payments liability (annuitants) – see Note 17	686	759	686	759
Other creditors	65	145	65	145
Accruals	562	174	562	174
Deferred income	5	32	5	32
	1,847	1,380	1,847	1,380

Movement in deferred income

	Charity 2021 £000	Charity 2020 £000
Charity and Group		
Deferred income brought forward	32	325
Amounts released in the year	(32)	(325)
Amounts deferred in the year	5	32
Deferred income carried forward	5	32

Deferred income comprises donations received in advance of the year to which they relate.

17. Provisions: amounts falling due after more than one year

Reconciliation of regular payments to annuitants

	2021 £000	2020 £000
Charity and Group		
Regular payment commitments at 1 January	6,056	6,932
Movement in provision	(439)	81
Unwinding of the discount	388	337
Amount paid in the year	(724)	(1,087)
Amount released in the year	-	(207)
Commitments at 31 December	5,281	6,056
Payable within one year – see Note 16	686	759
Payable after one year	4,595	5,297
Commitments at 31 December	5,281	6,056

The movement in the provision is derived from three factors: the numbers 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 2021 the number of annuitants was 923, which was 103 fewer than at the same date in the previous year (2020: 1,026). The discount factor increased from 1.05% to 1.41%. Taking into account the movements in the factors above, there was a reduction in the overall liability and a negative expense for the year (see note 5).

Regular payments to annuitants due in less than one year have been accounted for as creditors rather than a provision as they are more certain.

18. Pension schemes

Independent Age operates a defined contributions pension scheme administered by TPT Retirement Solutions. The employer contributes up to 10% of employees' earnings to the scheme. Total employer contributions towards this scheme in the year were £381,875 (2020: £416,897).

Independent Age also operates a defined benefit (final salary) scheme. Following consultation with the remaining active members, the scheme was closed to future accrual from the end of April 2021. During 2020 and until April 2021 the employer paid contributions at the rate of 38.3% per annum of members' earnings in respect of non-contributory members and 32.3% per annum of members' earnings in respect of contributory members. Member contributions were payable at the rate of 6.0% per annum of members' earnings in respect of contributory members only. From 1 April 2021 the above employer contribution rates increased to 44.5% per annum of members' earnings in respect of non-contributory members and 38.5% per annum of members' earnings in respect of contributory members.

The employer continues to pay £70,770 per annum (2020: £63,000) in respect of scheme expenses. The Pension Protection Fund levy is paid separately by the employer on receipt of the invoice.

A full actuarial valuation was carried out at 30 September 2019 and updated to 31 December 2021 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below. The Scheme is in surplus at 31 December 2021. The surplus has been restricted to zero as it cannot be returned to the employer.

The most recent actuarial valuation at 30 September 2019 showed a surplus of £799,000.

Present values of defined benefit asset/(obligation), fair value of assets and defined benefit liability	31 December 2021	31 December 2020
	£000	£000
Equity-type assets	82	1,364
Fixed interest bonds	9,812	8,579
Index-linked bonds	6,017	5,963
Fixed interest gilts	2,151	1,892
Property	2,579	1,240
Other	4,474	6,076
Total market value of assets	25,115	25,114
Present value of scheme liabilities	(21,850)	(23,213)
Surplus	3,265	1,901
Effect of asset ceiling	(3,265)	(1,787)
Net pension asset under FRS 102	-	114

Note 18 continued

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	31 December 2021	31 December 2020
	£000	£000
Defined benefit obligation at start of period	23,213	20,631
Current service cost	6	21
Interest cost on defined benefit obligation	308	405
Member contributions	-	2
Benefits paid	(819)	(800)
Losses due to benefit changes	-	3
Losses on curtailments	3	-
Actuarial loss on changes in demographic and financial assumptions	(521)	3,491
Experience gain on liabilities	(340)	(540)
Defined benefit obligation at end of period	21,850	23,213

Reconciliation of opening and closing balances of the fair value of plan assets	31 December 2021	31 December 2020
	£000	£000
Fair value of plan assets at start of period	25,114	22,519
Interest income on assets	334	443
Expenses	(69)	(71)
Return on assets excluding interest income	480	2,923
Employer contribution	75	98
Member contribution	-	2
Benefits paid	(819)	(800)
Fair value of plan assets at end of period	25,115	25,114

Movement in Balance Sheet asset during the year	31 December 2021	31 December 2020
	£000	£000
Surplus in scheme at the beginning of the period	114	282
Current service cost	(6)	(21)
Past service cost–benefit changes/curtailments	(3)	(3)
Expenses	(69)	(71)
Net interest credit	2	6
Remeasurements included in the statement of financial activities	(113)	(177)
Employer contributions	75	98
Surplus in scheme at the end of the period	-	114

Defined benefit costs recognised in the Statement of Financial Activities	31 December 2021 £000	31 December 2020 £000
Current service cost (included within Staff costs)	6	21
Expenses (included within Staff costs)	69	71
Curtailment losses	3	-
Past service cost – plan amendments	-	3
Operating charge	78	95
Interest income on assets	(334)	(443)
Interest cost on defined benefit obligation	308	405
Interest on surplus that is not recoverable	24	32
Net Interest credit	(2)	(6)
Defined benefit costs recognised in Statement of Financial Activities	76	89

Defined benefit costs recognised as other gains and losses in the Statement of Financial Activities	31 December 2021 £000	31 December 2020 £000
Return on assets excluding interest income	480	2,923
Experience gains on liabilities	340	540
Loss from change of assumptions	521	(3,491)
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost)	(1,455)	(149)
Actuarial loss on defined benefit pension scheme in the Statement of Financial Activities	(114)	(177)

Movement in assumption	Effect on liabilities
Discount rate +/- 0.1%	-/+ 2%
Inflation assumptions +/- 0.1%	-/+ 2%
Life expectancy +/- 0.1%	-/+ 3-5%

	31 December 2021 £000	31 December 2020 £000
Discount rate	1.81% p.a.	1.35% p.a.
Inflation (Retail Price Index (RPI))	3.32% p.a.	2.95% p.a.
Inflation (CPI)	2.97% p.a.	2.55% p.a.
Deferred revaluations	3.32% p.a.	2.55% p.a.
Salary growth	n/a	2.95% p.a.

Pension increases in payment		
CPI max 5% p.a.	2.90% p.a.	2.55% p.a.
CPI max 2.5% p.a.	2.05% p.a.	1.85% p.a.
CPI max 3% p.a.	2.3% p.a.	2.1% p.a.

Note 18 continued

Demographic assumptions	31 December 2021 £000	31 December 2020 £000
Mortality		
Base tables	Pre-retirement: nil Post-retirement: 106% of S3PXA	Pre-retirement: nil Post-retirement: 106% of S3PXA
Improvement allowance	CMI_2020 (1.00%) for females CMI_2020 (1.25%) for males	CMI_2019 (1.00%) for females CMI_2019 (1.25%) for males
Smoothing parameter	7.5	7.5
Life expectancy from age 65		
Pensioners (currently aged 65)	Female: 23.8 Male: 21.7	Female: 23.8 Male: 21.6
Non-pensioners (currently aged 45)	Female: 25.0 Male: 23.0	Female: 24.9 Male: 23.0
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
Other demographic assumptions	As per most recent Technical Provisions assumptions	As per most recent Technical Provisions assumptions

Contingent Liability

We have been notified by the Trustee of the Scheme that they have performed a review of the changes they made to The Pensions Trust's Schemes' benefits over the years, and the result is that there is now some certainty surrounding some of these changes. The Trustee has determined that it is prudent to follow best practice and seek clarification from the Court on the changes made. This process is ongoing, and the matter is unlikely to be resolved before 2024 at the earliest. It is recognised that this could potentially impact the value of Scheme liabilities but, as the Court direction is pending, it is not possible to calculate the impact with any accuracy at this time. Therefore, no adjustment has been made in these financial statements.

19. Movement on funds

	Balance at 1 January 2021 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains (losses) £000	Balance at 31 December 2021 £000
Endowed funds						
F E Cobbold Trust Fund	1,486	-	-	80	-	1,566
Backsettown Endowed Charity	290	-	-	16	-	306
Wharton & Wittrick Fund	1,030	-	-	-	-	1,030
General Endowment Fund	57,342	-	-	3,098	-	60,440
Unapplied Total Return Fund	-	2,547	(65)	(10,510)	8,028	-
Total endowed funds	60,148	2,547	(65)	(7,316)	8,028	63,342
Restricted funds						
F E Cobbold Trust Fund	10,376	95	(1,816)	-	1,130	9,785
Backsettown Charity	100	-	-	-	1,825	1,925
RUKBA Holiday Fund	964	9	(1,080)	-	107	-
Ulster Ladies Trust Fund	386	3	(162)	-	42	269
Grants Fund	500	-	(500)	-	-	-
Reconnections	5	78	(172)	101	-	12
Other restricted funds	100	488	(348)	(101)	-	139
Total restricted funds	12,431	673	(4,078)	-	3,104	12,130
Unrestricted funds						
Designated funds						
Investment Property Fund	1,140	-	-	-	180	1,320
Tangible and Intangible Fixed Assets Fund	1,961	-	(128)	74	-	1,907
Endowment Funded Activity Protection Fund	20,692	-	(23)	(12)	1,152	21,809
Future Impact Fund	60,202	4,109	(8,102)	6,994	3,971	67,174
Total designated funds	83,995	4,109	(8,253)	7,056	5,303	92,210
General Fund	9,522	-	-	260	-	9,782
Total unrestricted funds	93,517	4,109	(8,253)	7,316	5,303	101,992
Subtotal Independent Age	166,096	7,329	(12,396)	-	16,435	177,464
Counsel and Care for the Elderly						
General Fund	73	17	(73)	-	-	17
Subtotal Counsel and Care for the Elderly	73	17	(73)	-	-	17
Total Group	166,169	7,346	(12,469)	-	16,435	177,481

Fund descriptions

The Supplementary Royal Charter 2014 stipulated the establishment of a General Endowment Fund comprising all 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 also 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 described below.

Permanent endowed funds

The **F E Cobbold Trust Fund** represents 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.

In 2021 we transferred £nil (2020: £602,000) from the designated investment property fund to the Wharton & Whittrick Fund representing previous revaluations of the investment property held in this fund, to better reflect the fund's fair value.

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 2021 the trustees exercised this right and transferred the Unapplied Total Return net balance of £7,687,068 (2020: £412,000) 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 2021			
Gift component of permanent endowment	60,148	-	60,148
Unapplied Total Return	-	-	-
	60,148	-	60,148
Movements			
Recoupment of trust for investment*	3,194	(3,194)	-
Dividend return	-	2,547	2,547
Transfer	-	-	-
Gains	-	8,028	8,028
Investment management costs	-	(65)	(65)
	3,194	7,316	10,510
Unapplied Total Return retained	-	-	-
Unapplied Total Return transferred to income funds	-	(7,316)	(7,316)
Totals	63,342	-	63,342

*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 that 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 £nil (2020: £273,000) was transferred from unrestricted fund to support this activity. The Campaign To End Loneliness was transferred to a new host on 1 January 2021.

Designated Funds

In accordance with 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 Asset 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. Transfers are made annually between general funds and designated funds to maintain designated funds at the levels specified by trustees as set out above.

General Fund

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

Transfers between funds are made in order to: maintain the value of the Endowed Funds such that they grow each year in line with CPI, maintain the value of the Endowment Funded Activity Protection Fund at 35% of the value of the endowed investments, maintain the General Fund at an amount equivalent to one year's unrestricted expenditure and transfer any remaining balances, including on the Unapplied Total Return Fund, to the Future Impact Designated Fund.

Comparatives for 2020 of movement on funds are shown below:

	Balance at 1 January 2020 £000	Incoming resources £000	Resources expended £000	Transfers £000	Gains (losses) £000	Balance at 31 December 2020 £000
Endowed funds						
F E Cobbold Trust Fund	1,477	-	-	9	-	1,486
Backsettown Endowed Charity	289	-	-	1	-	290
Wharton & Wittrick Fund	428	-	-	602	-	1,030
General Endowment Fund	56,974	-	-	368	-	57,342
Unapplied Total Return Fund	-	2,057	(67)	(873)	(1,118)	-
Total endowed funds	59,168	2,057	(67)	107	(1,118)	60,148
Restricted funds						
F E Cobbold Trust Fund	12,030	258	(1,860)	-	(52)	10,376
Backsettown Charity	112	-	(12)	-	-	100
RUKBA Holiday Fund	2,657	57	(1,739)	-	(11)	964
Ulster Ladies Trust Fund	574	12	(198)	-	(2)	386
Campaign to End Loneliness	98	550	(921)	273	-	-
Grants Fund	-	881	(381)	-	-	500
Reconnections	-	106	(101)	-	-	5
Other restricted funds	-	250	(150)	-	-	100
Total restricted funds	15,471	2,114	(5,362)	273	(65)	12,431
Unrestricted funds						
Designated funds						
Investment Property Fund	1,772	-	-	(802)	170	1,140
Tangible and Intangible Fixed Assets Fund	2,142	-	(131)	(50)	-	1,961
Endowment Funded Activity Protection Fund	20,559	412	(24)	(229)	(26)	20,692
Future Impact Fund	63,492	4,076	(10,937)	2,920	651	60,202
Total designated funds	87,965	4,488	(11,092)	1,839	795	83,995
General fund	11,717	24	-	(2,219)	-	9,522
Total unrestricted funds	99,682	4,512	(11,092)	(380)	795	93,517
Subtotal Independent Age	174,321	8,683	(16,521)	-	(388)	166,096
Counsel and Care for the Elderly						
General fund	112	2	(41)	-	-	73
Subtotal Counsel and Care for the Elderly	112	2	(41)	-	-	73
Total Group	174,433	8,685	(16,562)	-	(388)	166,169

20. Analysis of net assets between funds

	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Endowed funds £000	2021 Total funds £000
Tangible and intangible fixed assets	-	1,907	-	-	1,907
Investment	12,380	88,983	10,055	62,312	173,730
Investment properties	-	1,320	-	1,030	2,350
Concessionary loans	63	-	-	-	63
Current assets	3,793	-	2,080	-	5,873
Current liabilities	(1,842)	-	(5)	-	(1,847)
Creditors: Amounts falling due after more than one year	(4,595)	-	-	-	(4,595)
Total	9,799	92,210	12,130	63,342	177,481

Comparatives for 2020 analysis of net assets between funds are shown below:

	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Endowed funds £000	2020 Total funds £000
Tangible and intangible fixed assets	-	1,961	-	-	1,961
Investment	13,477	80,780	11,726	59,118	165,101
Investment properties	-	1,140	100	1,030	2,270
Concessionary loans	78	-	-	-	78
Current assets	2,544	-	779	-	3,323
Current liabilities	(1,206)	-	(174)	-	(1,380)
Creditors: Amount falling due after more than one year	(5,297)	-	-	-	(5,297)
Defined benefit pension scheme asset	-	114	-	-	114
Total	9,595	83,995	12,431	60,148	166,169

21. Trustees, related parties and connected charities

No trustee received any remuneration from Independent Age during the year ended 31 December 2021. One trustee (2020: two) were reimbursed for travel expenses incurred in furtherance of the charity's activities totalling £120 (2020: £454).

Professor Martin Green, OBE, trustee at the International Longevity Centre – UK (ILC–UK), was a trustee of Independent Age. A total payment of £nil was made in 2021 (2020: £18,669) to ILC–UK for research services and events. £nil was due at 31 December 2021 (2020: £nil).

Baroness Julia Neuberger, DBE, trustee at the Rayne Foundation, is Chair of Independent Age. Independent Age received a donation of £nil from the Rayne Foundation in 2021 (2020: £100,000) to support our Grants Fund. £nil was due at 31 December 2021 (2020: £nil).

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

Funds to cash flow	Group 2021 £000	Group 2020 £000	Charity 2021 £000	Charity 2020 £000
Net income/(expenditure) for the year	11,426	(8,087)	11,482	(8,048)
Dividends received	(3,684)	(4,262)	(3,684)	(4,262)
Interest receivable including bank interest	-	(3)	-	(3)
Rents received from investment properties	(54)	(59)	(54)	(59)
Loss on disposal of fixed assets	33	-	33	-
Depreciation and impairment of tangible fixed assets	114	122	114	122
Amortisation and impairment of intangible fixed assets	17	80	17	80
Revaluation of investment property (including that held for sale)	(2,005)	(240)	(2,005)	(240)
(Gains)/losses on investments	(14,544)	453	(14,544)	453
Movement in the provision for concessionary loans	(5)	1	(5)	1
Post-employment benefits less payments	-	(9)	-	(9)
Movement in the provision for regular payments	(775)	418	(775)	418
(Increase)/decrease in debtors	215	425	143	375
Increase/(decrease) in creditors	540	(1,945)	540	(1,945)
Net cash flow from operating activities	(8,722)	(13,105)	(8,738)	(13,118)

23. 2020 Consolidated Statement of Financial Activities

	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Year to 31 December 2020 Total funds £000
Income and endowment from:				
Donations and legacies	2,381	1,732	-	4,113
Other trading activities	124	55	-	179
Investment income	1,939	328	2,057	4,324
Other income	69	-	-	69
Total income and endowments	4,513	2,115	2,057	8,685
Expenditure on:				
Raising funds				
Raising voluntary income	2,060	-	-	2,060
Investment and property management	188	18	68	274
Total cost of raising funds	2,248	18	68	2,334
Charitable activities				
National services	1,631	2,132	-	3,763
Community services	1,995	1,897	-	3,892
Policy and influencing	2,375	921	-	3,296
Grant-making	2,883	394	-	3,277
Total cost of charitable activities	8,884	5,344	-	14,228
Total expenditure	11,132	5,362	68	16,562
Operating (deficit)/surplus	(6,619)	(3,247)	1,989	(7,877)
(Losses)/gains on investments	972	(66)	(1,116)	(210)
Net (expenditure)/income	(5,647)	(3,313)	873	(8,087)
Transfers between funds	(380)	273	107	-
Other recognised (losses)				
Actuarial (loss) on defined benefit pension scheme	(177)	-	-	(177)
Net movement in funds	(6,204)	(3,040)	980	(8,264)
Total funds brought forward at 1 January	99,794	15,471	59,168	174,433
Total funds carried forward at 31 December	93,590	12,431	60,148	166,169

24. 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 £nil (2020: £123,000). The lease agreement on Exhibition House ended in June 2021.

25. Charity-only Statement of Financial Activities for the year ended 31 December 2021

	Notes	Unrestricted funds £000	Restricted funds £000	Endowed funds £000	Year to 31 December 2021 Total funds £000	Year to 31 December 2020 Total funds £000
Income and endowments from:						
Donations and legacies*	2	2,979	566	-	3,545	4,110
Other trading activities		109	-	-	109	179
Investment income	3	1,084	107	2,547	3,738	4,324
Other income		10	-	-	10	69
Total income and endowments		4,182	673	2,547	7,402	8,683
Expenditure on:						
Raising funds						
Raising voluntary income	4	1,659	-	-	1,659	2,060
Investment and property management		206	13	65	284	274
Total cost of fundraising		1,865	13	65	1,943	2,334
Charitable activities						
National services	4	1,305	2,347	-	3,652	3,763
Community services	4	2,145	1,218	-	3,363	3,894
Policy and influencing	4	2,043	-	-	2,043	3,296
Grant-making	4, 5, 19	968	500	-	1,468	3,235
Total cost of charitable activities		6,461	4,065	-	10,526	14,188
Total expenditure		8,326	4,078	65	12,469	16,522
Operating (deficit)/surplus		(4,144)	(3,405)	2,482	(5,067)	(7,839)
(Losses)/gains on investment assets	12	5,417	3,104	8,028	16,549	(209)
Net (expenditure)/income		1,273	(301)	10,510	11,482	(8,048)
Transfers to/from Unapplied Total Return	19	7,316	-	(7,316)	-	-
Other recognised gains/(losses)						
Actuarial loss on defined benefit pension scheme	18	(114)	-	-	(114)	(177)
Net movement in funds		8,475	(301)	3,194	11,368	(8,225)
Fund balances brought forward at 1 January		93,517	12,431	60,148	166,096	174,323
Fund balances carried forward at 31 December	19	101,992	12,130	63,342	177,464	166,096

*The Charity's grant income of £73,000 from Counsel and Care for the Elderly has been eliminated from the Group SoFA on consolidation. Counsel and Care's income of £17,000 is not included in the Charity-only SoFA. The Charity-only Donations and Legacies income is therefore £56,000 more than the Group Donations and Legacies income.

All 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.

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“Thanks to Independent Age, I have found friendship and companionship and I honestly cannot thank them enough.

Bob





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Charity information

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

It is registered in England and Wales with the Charity 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 (5)
 Lucy Blythe (4,5)
 Karen Byrne (1,5)
 Michael Craston (1,2)
 – until 19 May 2022
 Karl Demian (3)
 Vivienne Dews (1,2,3,4)
 Guillermo Donadini
 – from 10 May 2022
 Prof Caroline Glendinning
 – from 5 May 2022
 Prof Martin Green, OBE (3,4)
 – until 21 October 2021
 John Hannaford (1,2) – Treasurer
 Simon Inchley (3)
 Lorraine Lander (1)
 – until 2 September 2021
 Baroness Julia Neuberger, DBE (4)
 – Chair
 Amit Patel (2,3)

The Trustees Committee membership during the year

1. Finance and Resources Committee
2. Investment Sub Committee
3. Services and Policy Committee
4. Governance and Nominations Committee
5. Marketing and Supporters Committee

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

Senior Leadership Team

Deborah Alsina, MBE, Chief Executive – until January 2022
 Stuart Rogers, Director of Corporate Services, Acting Chief Executive – from January 2022
 Simon Hewett-Avison, Director of Services
 John Palmer, Director of Policy and Communications
 Karen Thompson, Interim Director of Finance and Governance – until January 2022
 Clare Wadd, Director of Finance and Governance – from December 2021
 Matthew Wilkley, Director of Income Generation

Professional advisers

Auditors

RSM UK Audit LLP
 25 Farringdon Street
 London EC4A 4AB

Principal bankers

NatWest Bank plc
 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
 London LLP
 10 Queen Street Place
 London EC4R 1BE

Investment advisers

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

Investment managers

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

Cazenove Capital
 1 London Wall
 London EC2Y 5AU

Schroder Investment
Management Limited
1 London Wall Place
London EC2Y 5AU

BlackRock Investment
Management (UK) Limited
12 Throgmorton Avenue
Drapers Gardens
London EC2N 2DL

Lindsell Train Ltd
66 Buckingham Gate
London SW1E 6AU

Vanguard Asset Management
Limited
25 Walbrook
London EC4N 8AF

Legal & General Investment
Management Limited
One Coleman 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
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

2019 Ms K Byrne

2009 Mr P Cann

2008 Ms S Collins

2012 Ms M Dangoor

2019 Mr K Demian

2016 Ms V Dews

2022 Mr G Donadini

2022 Prof C Glendinning

2016 Mr J Hannaford

1990 Dr T G Hudson

2005 Mrs F C Hughes

2008 Mr R Humphries

2017 Mr S Inchley

1986 Mrs I Macdonald

2010 Baroness Julia Neuberger,
DBE

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

1985 Mr J G Tregoning

1999 Mr W G Underwood





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Get involved!

We're helping to build a society where older people can live the lives they aspire to – and you can be involved.

Your time, expertise, insight, contacts or funding – even fitness – could help change the inequalities and discrimination in our society and help people to live well in later life.

No matter who you are, there's a vital part for you to play: volunteering your free time, fundraising, running or walking a race, forming a strategic partnership, campaigning, or making a small gift or long-term investment.

Working together helps us shape our strategy, services, policies and campaigns to secure a better future for older people – and for you.

Email us at supporters@independentage.org to get involved.







**Independent
Age**

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