

CHANGES East Lothian  
Directors' Report  
and  
Accounts

31<sup>st</sup> March 2018

Company No SC230098  
Charity No SC025130



# CHANGES East Lothian

Company Information for the year ended 31<sup>st</sup> March 2018

Company No SC230098  
Charity No SC025130

Registered office 108/9 Market Street  
Musselburgh  
East Lothian  
EH21 6QA

## Directors

SM McLachlan resigned on 10 October 2017  
C J Murray  
S S Watt  
Dr P McPhail  
N. Cullen  
D. Rowe  
G. MacLean  
M. Johnston appointed on 10 October 2017

Independent Examiner  
AW Scotland CA  
10 Craighall Crescent  
Edinburgh  
EH6 4RY

Bankers  
Bank of Scotland  
94 High Street  
Musselburgh  
East Lothian  
EH21 7EA

## **CHANGES EAST LOTHIAN**

### **REPORT OF THE DIRECTORS**

The directors present their annual report with accounts of the Company for the year ended 31<sup>st</sup> March 2018. The Company was incorporated on 9<sup>th</sup> April 2002 and is limited by guarantee, not having a share capital. The Company is registered as a Scottish Charity, Charity Number SCO25130.

### **PRINCIPAL ACTIVITY**

The principal activity of the Company during the year was to develop services and initiatives that promote the emotional well-being of people from all sections of the East Lothian Community.

### **DIRECTORS**

The members elect a Board of Directors who are responsible for the charity's overall direction. The directors are part-time and receive no remuneration for their work of directors during the period as shown on page 1. No director had any contract with the Company. The day to day running of the charity is delegated to staff led by Co-ordinator Elaine Johnston.

### **ACCOUNTS**

The accounts cover the year ended 31<sup>st</sup> March 2018. The comparative figures cover the year ended 31<sup>st</sup> March 2017. The results are as set out in the accounts.

For 2017/18 a service level agreement has been in place with NHS Lothian and grants received from ELC and others for unrestricted funds. The designated fund had a balance of £25915 at 31<sup>st</sup> March 2018 to cover future equipment and building refurbishment. It is the policy of directors to have general unrestricted reserves of 3 months expenditure to cover contingencies and any short term deficits, plus the balance of any long term employment and property liabilities. The general unrestricted reserves of £81352 at 31<sup>st</sup> March 2018 achieved this aim.

### **DIRECTORS REPORT**

Over the last year 793 people contacted CHANGES either for the first time or after a significant gap since last being in contact with us. We deal with every enquiry as a self referral – we think it is important to speak to people directly and see our role as helping them to decide what kind of information, support or therapy they need.

Of those who contacted us, 61% were female and 39% male. Most people lived in Musselburgh (37%) followed by Tranent (14%) Prestonpans (13%) Haddington (8%) Cockenzie & Port Seton (5%) Wallyford & Whitecraig (5%) Dunbar (4%) and North Berwick (3%). 12% of people lived in outlying villages.

22% of people were between 20 -29, 18 % between 30 – 39 and 14% between 40 – 49. This shows that the majority of people ( 54%) contacting us were between 20 – 49. Only 2% of people were under 20 and 11% were over 60.

280 people attended CHANGES Courses/Groups over the year.

- 75 attended Stress Control
- 61 attended First Steps towards Positive Mental Health & Wellbeing
- 24 attended Mindfulness courses
- 30 attended a Mindfulness Taster session
- 18 attended Relaxation courses
- 20 attended monthly Relaxation workshop
- 17 attended Doodle Drop In
- 35 attended Men's Group or Peer Support Group

A peer mentoring session helps people who are unsure about attending a group or lack the confidence to go along on their own. 17 people were offered peer matchings over the year and 6 Volunteers delivered these sessions.

Thanks to our 17 volunteers who co-facilitated our courses and groups and offered peer mentoring over the year. We know it is important to many of those attending that there is someone who has shared their experience.

196 people participated a full programme of Wellbeing walks over the year with three 10-week blocks in most areas - Mondays in Haddington, Tuesdays in Prestonpans, Wednesdays in Musselburgh (including evening walks during the summer months) Fridays in Dunbar and Saturdays in Musselburgh. We added Nordic walking to our programme this year which proved very popular.

4 Buddy walkers supported 4 people to start walking. Buddy walking is offered when people don't yet feel able to join the group walks and is really valued by those participating.

22 people participated in one of our cycling groups – including 13 people new to cycling. Our five week programme helps people rediscover their skills and confidence and enjoy cycling again.

36 people participated in Gentle Exercise, 12 attended Eat Well Keep Active course, 30 people joined in Singing For Fun and 20 attended Tai Chi. We were unable to run a Branching Out course in East Lothian for the first time in many years with our partners Greenspace Trust.

Our Walking, Cycling and other groups would not be possible without our fantastic team of 48 volunteer walk leaders, cycle leaders and group leaders.

As well as groups and courses, we also continued to offer 1:1 Therapy throughout the year. 93 people attending for Counselling and 63 for Cognitive Behavioural Therapy. Numbers were lower this year due to staff recruitment timescales

As part of East Lothian's Choose Life strategy training in Applied Suicide Intervention Skills Training (ASIST), Mental Health First Aid (MHFA) and safeTALK give people confidence to support others who are struggling with their mental health or thoughts of suicide. 62 people completed ASIST, 48 people MHFA, and 77 people attended safeTALK which is a low level awareness raising course.

We were pleased to be partners with Penumbra, Stepping Out and ELC, to deliver First Response Drop In sessions for people in emotional crisis. The service launched in June 2017 and CHANGES delivered 41 weekly sessions in Musselburgh. 33 people attended a CHANGES session.

In conclusion, it has been another busy but successful year for CHANGES and we look forward to further developing our services next year.

## **DIRECTORS RESPONSIBILITIES**

The Companies Act 2006 requires the directors to prepare financial statements for each financial year and to give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for the year. In preparing these financial statements, the directors are required to:

Select suitable accounting policies and apply them consistently;  
Make judgements and estimates that are reasonable and prudent;  
State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;  
Prepare financial statements on the going concern basis unless it is appropriate to presume that the collective will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006. They are responsible for safeguarding the assets of the company and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

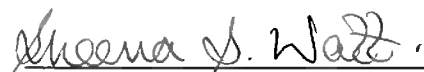
## **STATEMENT ON RISK**

The directors continue to assess the major risks to which the charity is exposed and will continue to establish procedures to mitigate those that are identified as a result. In particular the charity is aware of its reliance on grants and is attempting to enter into long term agreements.

## **INDEPENDENT EXAMINER**

During the year the directors reappointed Mr AW Scotland CA as Independent Examiner to the Company.

BY ORDER OF THE BOARD



Director Sheena Watt

14 August, 2018

## **Independent Examiners Report to the Directors of CHANGES East Lothian.**

**I report on the accounts of the charity for the year ended 31<sup>st</sup> March 2018 set out on pages 5 to 10.**

### **Respective Responsibilities of the Directors and Examiner**

The Charity's directors are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Directors consider that the audit requirement of Section 477 of the Companies Act and Regulation 10(1) (a) to (c) of the Accounts Regulations do not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005.

### **Basis of Independent Examiners Statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes review of the accounting records kept by the charity and comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seek explanations from the directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the accounts.

### **Independent Examiner's Statement**

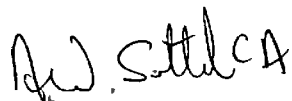
In my opinion the accounts have been properly prepared in accordance with the provisions of the Companies Act 2006.

In the course of my examination, no matter has come to my attention.

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 44(1) (a) of the Charities and Trustees (Scotland) Investment Act 2005 and Regulation 4 of the 2006 Accounts Regulations, and
  - to prepare accounts which accord with accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



AW Scotland CA  
10 Craighall Crescent  
Edinburgh  
EH6 4RY

14 August, 2018

## CHANGES EAST LOTHIAN

### Income and Expenditure Account and Statement of Financial Activities for the year ended 31<sup>st</sup> March 2018

	2018			2017		
	Unrestricted Funds	Designated Funds	Total Unrestricted Funds	Restricted Funds	Total	Total
Incoming Resources						
From Generated Funds						
Grants:- East Lothian Council	41263	--	41263	--	41263	41263
NHS Lothian	148316	--	148316	--	148316	148316
Robertson Trust	--	--	--	10125	10125	13500
The Big Lottery	--	--	--	8531	8531	--
NHS Mental Health Found	8000	--	8000	--	8000	14810
Employment Grant	3000	--	3000	--	3000	3000
Other Grants	2749	--	2749	--	2749	18495
	203328	--	203328	18656	221984	239384
Donations	5476	--	5476	--	5476	2236
Earned Income	7530	--	7530	--	7530	2449
	216334	--	216334	18656	234990	244069
Other Income						
Bank Interest	20	--	20	--	20	133
Total Incoming Resources	216354		216354		235010	244202
Outgoing Resources						
Core charitable objectives – (note 2)	215577	3307	218884	11506	230390	241958
Governance expenses (note 2)	750	--	750	--	750	800
Total resources expended	216327	3307	219634	11506	231140	242758
Net Incoming (Outgoing) Resources for year before and after transfers	27	(3307)	(3280)	7150	3870	1444
Net movement in funds						
Balances brought forward	81325	29222	110547	1381	111928	
Balances carried forward being funds as at 31 <sup>st</sup> March 2018	81352	25915	107267	8531	115798	

For details of restricted funds see the notes on pages 9 and 10.

**CHANGES EAST LOTHIAN**  
**Balance Sheet as at 31<sup>st</sup> March 2018**

	2018	2017
Current Assets	£	£
Debtors, Grants receivable(Note 5)	37079	--
Cash at bank and in hand	<u>82034</u>	<u>135285</u>
	119113	135285
Creditors – Amounts falling due within one year		
Accruals	1315	1483
Grants receivable in advance (deferred income)	<u>2000</u>	<u>21874</u>
	<u>3315</u>	<u>23357</u>
<b>Net Current Assets – Total Assets less Current Liabilities</b>	<u><b>115798</b></u>	<u><b>111928</b></u>
Represented by Funds		
Unrestricted (Note 4)	107267	110547
Restricted (Notes 4 & 8)	<u>8531</u>	<u>1381</u>
	<u><b>115798</b></u>	<u><b>111928</b></u>

For the year ended 31<sup>st</sup> March 2018 the Company was entitled to exemption from audit under section 477 of the Companies Act relating to small companies.

Directors' Responsibilities:-

The Members have not requested the Company to obtain an audit for its accounts for the year in accordance with section 476.

The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies requirements of the 2006 Companies Act and with the Financial Reporting Standard for Smaller Entities (effective 2015).

These accounts are approved by the Board on 14 August 2018 and signed on its behalf by

The notes on pages 8 to 11 form part of these accounts.

  
 \_\_\_\_\_  
 Director S Watt



**CHANGES EAST LOTHIAN**  
**Notes to the Accounts for the year ended 31<sup>st</sup> March 2018**

1. Accounting Policies

**Basis of preparation**

The accounts have been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice for charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulation 2006.

**Income and deferred income**

Grant income, other income and bank interest are generally accounted for when received. Grants received in arrears are accrued and grants received before 31<sup>st</sup> March 2018 which would be repayable at that date are deferred to the period to which they refer.

**Expenditure**

Expenditure is accounted for on an accruals basis. As the Company is not registered for VAT, Input VAT is irrecoverable and is included in the category of expenditure to which it refers.

**Funds**

Funds are defined as follows:-

Unrestricted funds comprise grants and other income received for the objects of the charity without further specified purpose and are available as general funds.

Designated funds represent unrestricted funds that have been earmarked by the directors for particular purposes.

Restricted funds comprise grants received for spending on specified purposes as laid down by the donors.

**Pensions**

The charity pays contributions to two defined contribution stakeholder pension schemes on behalf of 7 employees. Contributions payable for the year are charged. No contributions were outstanding at 31<sup>st</sup> March 2018.

## CHANGES EAST LoTHIAN

2.

	Unrestricted Funds	Designated Funds	2018 Total Unrestricted Funds	Restricted Funds	Total	2017 Total
Expenditure in Furtherance of charitable activities						
<b>Staff Costs</b>						
Staff salaries and social security contributions	159641	--	159641	10476	170117	176024
Payroll processing and pensions advice	657	--	657	--	657	1450
Staff travel expenses	301	--	301	--	301	744
Staff training	239	--	239	--	239	40
					1035	1815
External supervision	1035	--	1035	--		
	<b>161873</b>	<b>--</b>	<b>161873</b>	<b>10476</b>	<b>172349</b>	<b>180073</b>
<b>Property Costs</b>						
Rent & rates	16684	--	16684	--	16684	16724
Heat & light	1268	--	1268	--	1268	1836
Repairs & maintenance	1576	--	1576	--	1576	717
Cleaning costs	527	--	527	--	527	1873
	<b>20055</b>	<b>--</b>	<b>20055</b>	<b>--</b>	<b>20055</b>	<b>21150</b>
<b>Service Provision Costs</b>						
Sessional Workers & Vol Expenses	10989	--	10989	1030	12019	9681
Event and Venue Costs	8873	--	8873	--	8873	8808
	<b>19862</b>	<b>--</b>	<b>19862</b>	<b>1030</b>	<b>20892</b>	<b>18489</b>
<b>Administration Costs</b>						
Telephone	2136	--	2136	--	2136	1766
Postage, stationery etc.	4454	--	4454	--	4454	6130
Subscriptions	550	--	550	--	550	589
Insurance	2255	--	2255	--	2255	2294
Office equipment & Maintenance	3846	3307	7153	--	7153	9075
Miscellaneous Expenses	546	--	546	--	546	736
Evaluation Expenses	--	--	--	--	--	1656
		<b>--</b>				
	<b>13787</b>	<b>3307</b>	<b>17094</b>	<b>--</b>	<b>17094</b>	<b>22246</b>
<b>Total</b>	<b>215577</b>	<b>3307</b>	<b>218884</b>	<b>11506</b>	<b>230390</b>	<b>241958</b>
<b>Governance expenses</b>						
Directors expenses - Travel expenses	--	--	--	--	--	--
Fees of independent examiner	750	--	750	--	750	800
	<b>750</b>	<b>--</b>	<b>750</b>	<b>--</b>	<b>750</b>	<b>800</b>

### 3. Employees and Salaries

There were an average of 12 employees during the year 2017/18 - (12 in 2016/17)

	2018	2017
Salaries	£153090	£160610
Social security costs	9672	10714
Pension contributions	<u>7355</u>	<u>4700</u>
	170117	176024
	=====	=====

No employee received over £60000 remuneration during the year.

### 4. Explanation of Funds

The various funds are held for the following purposes

#### Unrestricted

General Fund – to support the general activities of the fund.

Designated Contingency Fund – funds set aside by the Directors to cover contingencies, in particular upgrading of office premises and equipment.

#### Restricted Funds

A grant had been received in previous years for the Spirit of 2012. The balance of this was spent during the year.

A grant was received from The Big Lottery Awards for All Fund during the year to investigate the development of a Wellbeing Centre. None of this was spent during the year and the balance is carried forward in a restricted fund.

A grant was received from the Robertson Trust during the year to support the work of the volunteers and was fully spent.

Details of movement in restricted funds during the year are shown below;

	Robertson Trust	Spirit of 2012	The Big Lottery	Total
Income	10125	--	8531	18656
Expenditure	10125	1381	--	11506
Surplus (deficit)	--	(1381)	8531	7150
For year				
Balance brought forward	--	1381	--	1381
Balance carried forward at 31 <sup>st</sup> March 2018	--	--	8531	8531

## 5. Deferred Income

Deferred income comprises some grants received before 31<sup>st</sup> March 2018 but which would be repayable at that date as they relate to a specific period of time.

Balance as at 1 <sup>st</sup> April 2017	21874
Amount released to income from grants	19874
Amount deferred in year	<u>---</u>
Balance at 31 <sup>st</sup> March 2018	<u>2000</u>

The balance at 31<sup>st</sup> March 2018 equals the NHS Mental Health Innovation Fund.

## 6. Directors Remuneration and Expenses

The Directors received no remuneration in travel or other meeting expenses during the year. (2017, Nil) There were no other transactions with related parties during the year.

## 7. Liability of Members

The charity is limited by guarantee, with no share capital. The liability of each member is limited to £1.

## 8. Taxation

The company is recognised as a charity OSCR and HMRC. Accordingly, no Corporation Tax is payable