

CHANGES East Lothian
Directors' Report
and
Accounts

31st March 2020

Company No SC230098
Charity No SC025130

OSCR

Scottish Charity Regulator

www.oscr.org.uk

Registered Charity

SC025130

CHANGES East Lothian

Company Information for the year ended 31st March 2020

Company No SC230098
Charity No SC025130

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

Directors

S S Watt - Resigned 26 March 2020
Dr P McPhail
D Rowe
H Barker
F Keightley – Appointed 24 September 2019
N McKechnie - Appointed 10 March 2020
L Hughes - Appointed 10 March 2020
E Peach – Appointed 10 April'19 and resigned
24 January 2020
P Sutherland Brown - Appointed 24 September 2019
S Carlile - Appointed 14 April 2020
C Knight - Appointed 14 April 2020

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 31st March 2020. The Company was incorporated on 9th April 2002 and is limited by guarantee, not having a share capital. The Company is registered as a Scottish Charity, Charity Number SC025130.

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 up to June 2019 and Caitlin Rodgers took up the post of Manager in August 2019.

ACCOUNTS

The accounts cover the year ended 31st March 2020. The comparative figures cover the year ended 31st March 2019. The results are as set out in the accounts.

For 2019/20 unrestricted funding was received from East Lothian Council as part of the Integrated Joint Board, which combines East Lothian Council, the NHS and the Health and Social Care Partnership. A service level agreement has been in place with East Lothian Health and Social Care Partnership in relation to this funding. The designated fund had a balance of £31400 at 31st March 2020 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 £94586 at 31st March 2020 achieved this aim.

DIRECTORS REPORT

In the year ending 31st March 2020 CHANGES has continued to provide a range of activities that support adults in East Lothian to find ways to cope better with the stresses of life. This year over 750 new people contacted the project seeking information and support with their mental health and wellbeing. Delivering short courses and groups remains the focus of our work. We continue to develop the provision and delivery of our Stress Control Classes, in addition to providing a range of support services. These include the CHANGES Cognitive Behavioural Therapy and Counselling Services as well as a wide range of groups and courses. CHANGES also run East Lothian First Response service, which offers urgent support for people in crisis, in conjunction with Penumbra.

As ever we have been fortunate to have our hugely appreciated pool of trained volunteers who co-facilitate our group work programme and offer one to one peer support. The Healthy Living Project

volunteers contribute to the work of CHANGES through supporting and leading our Nordic Walks, cycling groups, Singing for Fun sessions, Ukulele group and also carrying out one to one buddy walks.

Our work this year was funded by secure grants and we have moved into the year 2020/21 with funding in place to continue the delivery of our core work. We would like to thank East Lothian Council and the Health and Social Care Partnership for their continued funding and Penumbra for their collaboration in delivering East Lothian First Response service.

Finally, we would like to extend our gratitude to all staff, volunteers, members of the Board of Trustees and to all interested parties who have contributed and supported the work of the organisation.

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
08/10/2020

Independent Examiners Report to the Directors of CHANGES East Lothian.

I report on the accounts of the charity for the year ended 31st March 2020 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

AW Scotland CA
10 Craighall Crescent
Edinburgh
EH6 4RY

08/10/2020

CHANGES EAST LOTHIAN

Income and Expenditure Account and Statement of Financial Activities for the year ended 31st March 2020

	2020				2019	
	Unrestricted Funds	Designated Funds	Total Unrestricted Funds	Restricted Funds	Total	Total
Incoming Resources						
From Generated Funds						
Grants:- East Lothian Council	-	-	-	-	-	46263
ELC Core Grant	189579	-	189579	-	189579	148316
ELC First Response	14850	-	14850	-	14850	11137
Paths For All	-	-	-	-	-	7360
NHS Mental Health Found	-	-	-	-	-	2000
Employment Grant	3000	-	3000	-	3000	3000
Other Grants	450	-	450	-	450	---
	207879	-	207879	-	207879	218076
Donations	2928	1615	4543	-	4543	4320
Earned Income	5203	3870	9073	-	9073	13615
	216010	5485	221495	-	221495	236011
Other Income						
Bank Interest	20	-	20	-	20	20
Total Incoming Resources	216030	5485	221515	-	221515	236031
Outgoing Resources						
Core charitable objectives – (note 2)	204528	-	204528	-	204528	234978
Governance expenses (note 2)	750	-	750	-	750	750
Total resources expended	205278	-	205278	-	205278	235728
Net Incoming (Outgoing) Resources for year before and after transfers						
Net movement in funds	10752	5485	16237	-	16237	303
Balances brought forward	83834	25915	109749	6352	116101	
Balances carried forward being funds as at 31st March 2020	94586	31400	125986	6352	132338	

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

CHANGES EAST LOTHIAN
Balance Sheet as at 31st March 2020

	2020	2019
Current Assets	£	£
Debtors, Grants receivable(Note 5)	-	7392
Cash at bank and in hand	<u>133275</u>	<u>109961</u>
	<u>133275</u>	<u>117353</u>
Creditors – Amounts falling due within one year		
Accruals	<u>937</u>	<u>1252</u>
Net Current Assets – Total Assets less Current Liabilities	<u>132338</u>	<u>116101</u>
Represented by Funds		
Unrestricted (Note 4)	125986	109749
Restricted (Notes 4 & 8)	<u>6352</u>	<u>6352</u>
	<u>132338</u>	<u>116101</u>

For the year ended 31st March 2020 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 the provisions of FRS102 as amended by the exemptions available to smaller companies.

These accounts are approved by the Board 08 October 2020 and signed on its behalf by

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



Dennis Rowe, Director

CHANGES EAST LOTHIAN

Notes to the Accounts for the year ended 31st March 2020

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 102 for Smaller Entities, 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 31st March 2020 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 12 employees. Contributions payable for the year are charged. No contributions were outstanding at 31st March 2020.

CHANGES EAST LOTHIAN

2.

	2020 All Unrestricted Funds	2019 Total
Expenditure in Furtherance of charitable activities		
Staff Costs		
Staff salaries and social security contributions	150863	180988
Payroll processing and pensions advice	783	941
Staff travel expenses	211	225
Staff training	398	835
Recruitment Costs	1260	
External supervision	3380	1920
	156895	184909
Property Costs		
Rent & rates	18018	16816
Heat & light	1470	1555
Repairs & maintenance	239	96
Cleaning costs	463	535
	20190	19002
Service Provision Costs		
Sessional Workers & Vol Expenses	2500	7768
Event and Venue Costs	9044	5620
	11544	13388
Administration Costs		
Telephone	3406	2223
Postage, stationery etc.	339	3779
Subscriptions	2312	293
Insurance	6590	2354
Office equipment & Maintenance	407	8318
Miscellaneous Expenses	-	712
Evaluation Expenses		--
	15899	17679
Total	204528	234978
Governance expenses		
	-	--
Fees of independent examiner	750	750
	750	750

3. Employees and Salaries

There were an average of 14 employees during the year 2019/2020- (12 in 2018/19)

	2020	2019
Salaries	£ 138690	£166166
Social security costs	6664	7570
Pension contributions	<u>5509</u>	<u>6952</u>
	150863	180688
	=====	=====

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 was received from The Big Lottery Awards for All Fund during prior years to investigate the development of a Wellbeing Centre. The balance of this fund has been allowed by the Big Lottery to spent on office premises and is carried forward in a restricted fund.

5. Directors Remuneration and Expenses

The Directors received no remuneration in travel or other meeting expenses during the year. (2019, Nil) There were no other transactions with related parties during the year.

6. Liability of Members

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

7. Taxation

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