

REGISTERED COMPANY NUMBER: 07400060 (England and Wales)
REGISTERED CHARITY NUMBER: 1139983

CHANGING LIVES TOGETHER
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CHANGING LIVES TOGETHER

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FOR THE YEAR ENDED 31 DECEMBER 2023**

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CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Overview

We are a Social Enterprise committed to delivering meaningful environmental, social and community impact and making a difference to the people of Cheshire. We provide creative and innovative solutions to social and environmental issues. Structured as a charitable company, we aim to be financially sustainable through enterprise but our social impacts (the way we help change people's lives) are at the core of why we do what we do.

We work extensively within our community to support people through a variety of work, training and volunteering programmes for long term unemployed, those with learning difficulties, ex-offenders, vulnerable, disabled and the excluded and isolated. One of our core values is that we support people in a way that maintains their personal dignity.

Our mission is to create a better life for local people and improve their environment and wellbeing.

Operational and retail

Affordable furniture, paint and appliances

Our warehouse team continued throughout the year to help the environment by collecting domestic Bulky Waste to reuse and recycle items that would otherwise be sent to landfill or other waste destinations. We work with our membership organisation, the Reuse Network, in providing "take-back" schemes for a number of national retailers where we help reduce waste as well as bringing damaged and "orphan" items back in to use. These activities of repair and "up-cycling" provide work placement opportunities for the individuals we support. This saved consumers over £500,000 in buying preloved instead of new.

Emergency assistance

We operate contracts with Local Authorities and Housing Associations to provide their welfare assistance schemes. We supply starter packs, furniture and white goods to hundreds of people and families in need every year in Cheshire East, Cheshire West & Chester and Warrington as well as housing associations. These schemes ensure those in need gain access to essential household items and receive an efficient delivery and installation process. In 2023, we supported over 7,000 families.

Bulky waste

Not all large household waste goes to landfill. We are proud to support Cheshire West Recycling Limited and Warrington Borough Council in collecting bulky domestic waste - and we try and repair, reuse and recycle as much as we can, last year we collected nearly 8,000 products, reusing or recycling 49%.

Community engagement

Our Buddying and Befriending scheme had been successful in securing a grant from The National Lottery Community Fund from April 21 for a period of 3 years. This has enabled us to continue our great work helping those who are over 50 living across Cheshire West and Cheshire East and are experiencing loneliness and social isolation. The service delivered over 350 matches between volunteers and clients in 2023.

Throughout the year our Family Support team continued their exceptional work in their school placements to help improve attendance, behaviour and achievement. They focus on early intervention, helping parents to develop the necessary coping skills and access a broad range of services. If our team can't help, they will put families in touch with somebody who can and arrange introductions. In 2023 over 100 families were directly supported by our in school teams.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The Very Green Grocery

Since starting out in 2020, the community grocery has gone from strength to strength in its provision and distribution of surplus food across Cheshire West. Utilising two vehicles we are collecting thousands of tonnes of surplus food across Cheshire, last year alone we calculate over 24,000 individual shops took place saving customers £400,000 in food costs and reducing carbon emissions by taking 500 tonnes of food intended for landfill.

We are now serving an average of 100 shoppers per session, 3 times a week. Our shoppers pay £5 a shop, receive goods worth considerably more, helping them stretch their budgets whilst reducing food waste. With the cost of living crisis this service has seen a huge increase in demand and we are working hard with our partners to secure food for the whole community.

The other part of the work at the groceries is the bringing together of volunteering opportunities. From warehousing, distribution, box projects, shop support, café service, gardening projects and building maintenance there is something for everyone. We have seen over 300 hundred volunteers who support the two groceries. Each one of our volunteers has been passionate about supporting their community and without their help and assistance these outcomes would be impossible.

Our site at Lostock is opens Monday to Friday with a Community Café offering low-cost hot food, the site now functions fully as a Community Centre open for use by partners and community groups.

In 2023 we also acquired another site in Winsford to open a second Very Green Grocery, Cafe and Community Centre and this has also seen a 50% footfall increase in residents using the service. The Board agreed investment from reserves to cosmetically improve the new site and ensure it is H&S compliant as the building was in a poor state of repair. Cheshire Community Fund also supported the installation of a kitchen / café with a grant.

Additionally, utilising surplus food we opened at Café at our Winsford Hub site, again providing low cost hot food. In 2024 we will introduce a Repair Café concept at all three Community Café's helping residents reuse and repair household items and clothing.

Furthermore CLT is continuing to explore the opportunity to provide surplus food distribution to the whole of Cheshire through a dedicated warehouse facility.

Community transport branded as Yourbus

We operate our community transport minibus services (Yourbus), which are contracted by Cheshire West and Chester Council (CWaC). The services we provide are Home to School, Adult Social Care, Dial A Ride and other contracts as required. These services provide, either free or subsidised access to schools, care centres, the high street, leisure and other services for members of the community who might otherwise miss out.

We also invested in extending our parking facilities at the Winsford Hub after the closure of the Navigation Road site, this ensure vehicles are safe, do not disrupt the local community and in the medium term will save CLT money as we no longer fund the Navigation Road site.

With over 2,000 schools trips and over 3,000 adult social care trips, the team transported over 10,000 passengers in 2023.

We are currently working closely with CWaC to understand how we can further improve this service for local residents and the wider community pending a tender in 2026.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Reuse Warehouse

We have invested in our main retail site, changing the brand to ensure the customer experience is like that of any retailer, thereby protecting dignity of shoppers who see our preloved offer the same as any other retail experience. New brands including "Off to a Good Home", "Planet Paint", "Recycles", etc give CLT the chance to move into smaller retail premises with a sub brand going forward.

The new look site is focussed on promoting the benefits of preloved in terms of environmental and fiscal impacts and we hope in 2024 the site can be used by local primary schools as an educational facility to support their curriculum. In 2024 we also plan to include preloved cycles as part of our retail offering.

A large part of the investment went into staff facilities, the board felt it was important to ensure both customers, volunteers and staff had decent office and toilet facilities which would support CLT's growth and increasing footfall.

We plan to grow our retail branches in 2024 to achieve a greater volume of donation volumes and support more communities with low cost, high quality, preloved products.

Systems

In 2023 we invested in a new EPOS system as our previous system was no longer supported and was limiting reporting and data accuracy. This system has now gone live and CLT have seen immediate benefits which support our future growth.

We engaged a new H&S Consultancy 'Rhino Safety Systems' to improve our internal processes and develop a paper free H&S Management System.

We developed a unique and bespoke Social Impact Dashboard allowing us to measure over 80 key performance metrics, this allows us to demonstrate and improve our impact to the Cheshire community.

We began working with MRD IT Support Services to achieve Cyber Essentials Plus accreditation in 2024.

People

Without our dedicated volunteers and staff, our mission would be impossible to achieve. In 2023 the board supported the implementation of the Real Living Wage and recognised the contribution from both staff and volunteers by financially contributing towards social events. This has allowed us to recognise the dedication and effort given by those working within the organisation and themselves feeling the impact of the cost of living crisis.

Furthermore we are focussed on building an open and engaging culture, every month our CEO holds a Grass Roots meeting with representatives from each area of the charity so everyone can feedback any issues or concerns which may be preventing them from delivering great results. We solve these operational problems quickly and we recognise outstanding achievements with a Volunteer and Employee of the Month Scheme which are nominated by our team.

The objective of the Charity currently is to try and remain a Real Living Wage Employer which means the majority of remuneration is defined by the revised RLW hourly figure released each November. All employees above this level are reviewed by the Board of Trustees, including management, and an appropriate figure based on economic circumstances and affordability is agreed, based on bench marketing, qualifications and contribution.

Costs

We have worked hard to renegotiate supplier contracts and eliminate spend wherever possible, closing sites and consolidating our operation, removing and reducing spend. During a period of high inflation our total outgoings did not increase in the year due to this cost cutting. We remain focussed on watching all spend to ensure monies are directed at helping the community.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Management Structure

The organisation is operationally led by a CEO reporting into the Board of Trustees. The CEO leads an experienced Head of Department flat hierarchy team listed below.

- CEO
- Head of Retail and Grocery
- Head of Development
- Head of Community Support
- Head of Community Transport
- Head of Finance
- Head of HR
- Head of Operations

Operational ongoing management is the remit of the leadership team with the CEO presenting progress updates on a weekly basis as well as at our bi-monthly Board Meetings. Significant strategic decisions are made at the board meetings with the leadership operating to a matrix of authority. Ad hoc exceptional issues will be raised between the CEO and Chair as and when required.

What was our impact in 2023?

- Our Bulky Waste activity saved over 2.5 tonnes of carbon going into landfill
- Our Help Scheme delivered over £1m worth of products to people in need
- Our Retail customers saved over £150k on buying reuse instead of new products
- Our Reuse team prepared and refurbished over 1,500 items that would have ended up in landfill
- Our Community Grocery gave out over 48,000 bags of shopping, residents shopped with us 24,000 times
- Our Buddy & Befriending Team matched over 360 lonely residents with a volunteer to prevent social isolation
- Family Support helped over 100 families last year
- Community Transport totalled over 24,000 miles and transported residents on over 11,000 journeys

Future planning

The Board hold regular strategic reviews with the Leadership Team to discuss future planning of Changing Lives Together, to collaborate with stakeholders and ask to become involved in a diverse range of issues affecting the community. All new opportunities would go through a detailed planning process to ensure as a minimum;

1. Does this meet our articles
2. Does this integrate and enhance our social impact
3. Can this be financially substantiable
4. Is this achievable

Any future change is then put into our growth and change strategy document which is discussed at each Strategy Meeting with the Board and Leadership Team.

Our key Headline Objectives

1. Growth
2. Health and safety Systems improvements
3. Review of IT infrastructure and Cyber Essential Plus
4. Internal and External Communications
5. ESG
6. Continuous Improvement

FINANCIAL REVIEW

Financial position

Our long-term policy has been to stand on our own feet with sustainable results and without excessive dependence on grant income. We reinvest when we can in our people and we are slowly building our reserves to a normal level for a charity of our size and complexity.

Total income in 2023 was £2,623,852 (2022 £2,443,079) and the charity generated a surplus of £19,563 (2022 a deficit of £76,082).

Investment policy

Available funds are transferred to interest bearing bank or building society accounts to maximise returns.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

Reserves policy

The Trustees have agreed that the appropriate level of unrestricted liquid reserves should be sufficient to cover 3 months of routine expenditure i.e. to provide working capital to cover delays in the receipt of payments and grants and to provide a cushion for unexpected emergencies.

We have achieved this, our reserves at 31 December 2023 were £505,226.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Changing Lives Together (charity 1139983 and company 07400060) was incorporated on 7 October 2010 and commenced trading on the same date. The principal governing document is the Articles of Association adopted on 21 March 2019.

The objects of the charity are:

- 1 The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage, in particular but not exclusively, by the provision of affordable furniture, recycled and reused items and the provision of training, voluntary positions and work experience.
- 2 The protection and preservation of the physical and natural environment in particular but not exclusively by the promotion of sustainable waste management practices.
- 3 To provide transport facilities in particular but not exclusively in Cheshire and the surrounding area for people who have special need of such facilities because they are elderly, poor or disabled, people with young children or those living in isolated areas where there are no adequate public transport facilities.

Recruitment and appointment of new trustees

We have a written policy for the recruitment and induction of new trustees that gives all candidates a fair chance to see us in action and to deliver efficient support on appointment.

Management and governance

We continue to develop our Management and Governance structures.

Risk management

The trustees have regard to the Charities Commission guidance on Public Benefit and a robust approach to Risk Management. The trustees monitor risk by ensuring that the identification, assessment and mitigation of risk is linked to the achievement of the charity's operational objectives.

The trustee board at each meeting reviews Health and Safety performance, Safeguarding and Management Information (financial and operational) with a review of current and future obligations. The trustee board also reviews the financial impact of risk as part of operational budget planning and monitoring. Full consideration is given to the risks attached to significant new activities or opportunities, as is risk associated with external factors such as new legislation or new requirements from funders.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07400060 (England and Wales)

Registered Charity number

1139983

Registered office

Unit 12 Road Two
Winsford Industrial Estate
Winsford
Cheshire
CW7 3QL

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

B M Clarke
H E L Dillaway-Nickson
B G Dunn (resigned 23.2.24)
H C Kinsey
P Price
S T Taylor (resigned 19.1.24)
S M Tilling
C F Lees-Jones (appointed 30.6.23)

Auditors

Murray Smith LLP
Chartered Accountants
Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire
CW8 1AU

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Bankers

Santander UK plc
Bridle Road
Merseyside
L30 4GB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

CHANGING LIVES TOGETHER

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

AUDITORS

The auditors, Murray Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 May 2024 and signed on its behalf by:

DocuSigned by:

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H E L Dilliway-Nickson - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHANGING LIVES TOGETHER (REGISTERED NUMBER: 07400060)

Opinion

We have audited the financial statements of Changing Lives Together (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHANGING LIVES TOGETHER (REGISTERED NUMBER: 07400060)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit procedures designed to identify irregularities included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of company staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHANGING LIVES TOGETHER (REGISTERED NUMBER: 07400060)**

Use of our report

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

DocuSigned by:

Michael Benson

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M G Benson (Senior Statutory Auditor)
for and on behalf of Murray Smith LLP
Chartered Accountants
Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire
CW8 1AU

29-05-2024

Date:

CHANGING LIVES TOGETHER**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	17,927	-	17,927	3,791
Charitable activities					
Charitable activities	6	459,801	280,731	740,532	882,302
Other trading activities	4	1,845,735	-	1,845,735	1,536,732
Investment income	5	19,658	-	19,658	17,093
Other income		-	-	-	3,161
Total		<u>2,343,121</u>	<u>280,731</u>	<u>2,623,852</u>	<u>2,443,079</u>
EXPENDITURE ON					
Raising funds	7	1,408,909	13,551	1,422,460	1,438,461
Charitable activities					
Charitable activities	8	<u>904,789</u>	<u>277,040</u>	<u>1,181,829</u>	<u>1,080,700</u>
Total		<u>2,313,698</u>	<u>290,591</u>	<u>2,604,289</u>	<u>2,519,161</u>
NET INCOME/(EXPENDITURE)		29,423	(9,860)	19,563	(76,082)
RECONCILIATION OF FUNDS					
Total funds brought forward		470,803	14,860	485,663	561,745
TOTAL FUNDS CARRIED FORWARD		<u><u>500,226</u></u>	<u><u>5,000</u></u>	<u><u>505,226</u></u>	<u><u>485,663</u></u>

The notes form part of these financial statements

CHANGING LIVES TOGETHER**BALANCE SHEET
31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	15	107,859	5,000	112,859	14,563
CURRENT ASSETS					
Stocks	16	90,576	-	90,576	92,751
Debtors	17	156,665	-	156,665	225,863
Cash at bank		385,998	32,128	418,126	574,185
		<u>633,239</u>	<u>32,128</u>	<u>665,367</u>	<u>892,799</u>
CREDITORS					
Amounts falling due within one year	18	(187,798)	(32,128)	(219,926)	(332,505)
NET CURRENT ASSETS		<u>445,441</u>	<u>-</u>	<u>445,441</u>	<u>560,294</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		553,300	5,000	558,300	574,857
CREDITORS					
Amounts falling due after more than one year	19	(53,074)	-	(53,074)	(89,194)
NET ASSETS		<u>500,226</u>	<u>5,000</u>	<u>505,226</u>	<u>485,663</u>
FUNDS	22				
Unrestricted funds				500,226	470,803
Restricted funds				5,000	14,860
TOTAL FUNDS				<u>505,226</u>	<u>485,663</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 May 2024 and were signed on its behalf by:

DocuSigned by:

Hedi Dillway-Nickson

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H E L Dillway-Nickson - Trustee

CHANGING LIVES TOGETHER**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(21,854)	10,561
Interest paid		(6,564)	(12,293)
		<u>(28,418)</u>	<u>(1,732)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Purchase of tangible fixed assets		(104,430)	(3,228)
Interest received		11,040	3,200
		<u>(93,390)</u>	<u>(28)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Loan repayments in year		(34,251)	(32,504)
		<u>(34,251)</u>	<u>(32,504)</u>
Net cash used in financing activities			
		<u>(156,059)</u>	<u>(34,264)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		574,185	608,449
		<u>574,185</u>	<u>608,449</u>
Cash and cash equivalents at the end of the reporting period		418,126	574,185
		<u>418,126</u>	<u>574,185</u>

The notes form part of these financial statements

CHANGING LIVES TOGETHER**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	19,563	(76,082)
Adjustments for:		
Depreciation charges	6,134	11,152
Losses on investments	-	3
Interest received	(11,040)	(3,200)
Interest paid	6,564	12,293
Decrease in stocks	2,175	15,883
Decrease/(increase) in debtors	69,198	(23,770)
(Decrease)/increase in creditors	(114,448)	74,282
Net cash (used in)/provided by operations	<u>(21,854)</u>	<u>10,561</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank	574,185	(156,059)	418,126
	<u>574,185</u>	<u>(156,059)</u>	<u>418,126</u>
Debt			
Debts falling due within 1 year	(34,251)	(1,869)	(36,120)
Debts falling due after 1 year	(89,194)	36,120	(53,074)
	<u>(123,445)</u>	<u>34,251</u>	<u>(89,194)</u>
Total	<u>450,740</u>	<u>(121,808)</u>	<u>328,932</u>

The notes form part of these financial statements

CHANGING LIVES TOGETHER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. STATUTORY INFORMATION

Changing Lives Together is a private company, limited by guarantee, registered in England and Wales. The company's registered number, registered charity number and registered office can be found in the Reference and Administrative Details section of the Trustees' Report.

The presentation currency of the financial statements is in Pounds Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (effective 1 January 2019) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Changing Lives Together meets the definition of a public benefit entity under FRS 102.

Going concern

The charitable company meets its day to day working capital requirements through its cash resources and available loan facilities. The trustees have reviewed current and forecast activity and cash requirements for a period of at least 12 months from the date of the signing of the financial statements which show, taking into account reasonably possible changes in performance, that the charitable company should be able to operate within its available cash resources. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

The policies adopted for the recognition of income are as follows:

Sale of goods

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

Rendering of services

When the outcome of a transaction can be estimated reliably, income is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to a notable milestone.

Where the outcome cannot be measured reliably, income is recognised only to the extent of the expenses recognised that are recoverable.

Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, and performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Goodwill

Goodwill relates to the amount paid in connection with the acquisitions of a business, and is now fully amortised.

CHANGING LIVES TOGETHER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Short leasehold	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition. Stocks of unsold donated goods are valued only at the cost of bringing the items to their present location as it is not considered practical to estimate the fair value due to their cost being nil and their value is uncertain until sold.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Short term debtors and creditors

Short term debtors and creditors with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, cash held with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Pension costs and other post-retirement benefits

The charitable company makes contribution to employees' pension schemes. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****2. ACCOUNTING POLICIES - continued****Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	17,927	3,791

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Shop income	1,489,918	1,171,750
Waste credits, recycling, scrap and waste collection	355,817	362,622
Training and work experience	-	2,360
	<u>1,845,735</u>	<u>1,536,732</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	8,618	13,893
Interest receivable	11,040	3,200
	<u>19,658</u>	<u>17,093</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Transport	Charitable activities	449,547	445,270
Grants	Charitable activities	290,985	437,032
		<u>740,532</u>	<u>882,302</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
General fund	10,254	26,442
Buddying & befriending	4,480	3,808
Break free grant	-	5,096
BSOG	-	6,400
Family support	40,149	63,986
Food hub grant	-	34,293
Groundworks	-	33,370
Kitchen grant	5,000	2,950
Love Lostock Cheshire Food hub	555	1,000
National lottery community fund	75,996	79,224
Sanctuary housing	-	1,500
Slowcooker grant	-	20,600
	<u>136,434</u>	<u>278,669</u>
Carried forward		

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****6. INCOME FROM CHARITABLE ACTIVITIES - continued**

	2023	2022
	£	£
Brought forward	136,434	278,669
Kickstart training	-	2,360
Ukraine project grant	-	1,550
Wellbeing	37,487	31,308
Winter household fund	-	15,479
Winter Box Project	84,248	107,666
VGG Container Rental	2,746	-
Dust Extraction Unit	938	-
VGG Food and Collection	10,000	-
Period Poverty Fund	250	-
Mental Health Grant	18,882	-
	<u>290,985</u>	<u>437,032</u>

7. RAISING FUNDS**Other trading activities**

	2023	2022
	£	£
Opening stock	92,751	108,634
Purchases	660,256	569,034
Closing stock	(90,576)	(92,751)
Staff costs	503,262	605,584
Hire of plant and machinery	23,983	9,081
Licensing	5,076	1,542
Bad debts	-	(12,000)
Vehicle hire	84,788	56,951
Motor expenses	52,682	48,104
Other direct costs	90,238	104,338
Property repairs	-	39,941
Impairment losses	-	3
	<u>1,422,460</u>	<u>1,438,461</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Charitable activities	<u>1,164,932</u>	<u>16,897</u>	<u>1,181,829</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****9. SUPPORT COSTS**

	Finance	Governance	Totals
	£	costs	£
	£	£	£
Charitable activities	7,242	9,655	16,897
	<u>7,242</u>	<u>9,655</u>	<u>16,897</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration - current year	8,670	8,500
Auditors' remuneration - accountancy services	-	4,000
Auditors' remuneration - assurance services	972	450
Auditors' remuneration - prior year	-	4,750
Depreciation - owned assets	6,134	11,152
Hire of plant and machinery	23,983	9,081
Other operating leases	62,044	65,035
	<u>62,044</u>	<u>65,035</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,219,015	1,194,038
Social security costs	83,655	69,649
Other pension costs	18,544	16,005
	<u>1,321,214</u>	<u>1,279,692</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Management team	5	4
Warehouse/reuse	28	28
Administrative	6	5
Retail	4	4
Community hubs	6	3
Community engagement	9	9
Community transport	18	20
	<u>76</u>	<u>73</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****12. STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>1</u></u>

Total emoluments for key management personnel totalled £264,755 (2022: £246,141).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,791	-	3,791
Charitable activities			
Charitable activities	579,378	302,924	882,302
Other trading activities	1,536,732	-	1,536,732
Investment income	17,093	-	17,093
Other income	3,161	-	3,161
Total	<u>2,140,155</u>	<u>302,924</u>	<u>2,443,079</u>
EXPENDITURE ON			
Raising funds	1,438,461	-	1,438,461
Charitable activities			
Charitable activities	<u>792,636</u>	<u>288,064</u>	<u>1,080,700</u>
Total	<u>2,231,097</u>	<u>288,064</u>	<u>2,519,161</u>
NET INCOME/(EXPENDITURE)	(90,942)	14,860	(76,082)
RECONCILIATION OF FUNDS			
Total funds brought forward	561,745	-	561,745
TOTAL FUNDS CARRIED FORWARD	<u><u>470,803</u></u>	<u><u>14,860</u></u>	<u><u>485,663</u></u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****14. INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 January 2023	6,157
Disposals	(6,157)
	<u>-</u>
At 31 December 2023	<u>-</u>
AMORTISATION	
At 1 January 2023	6,157
Eliminated on disposal	(6,157)
	<u>-</u>
At 31 December 2023	<u>-</u>
NET BOOK VALUE	
At 31 December 2023	<u>-</u>
	<u>-</u>
At 31 December 2022	<u>-</u>
	<u>-</u>

15. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2023	-	61,922	6,791	34,629	103,342
Additions	95,031	(316)	716	8,999	104,430
	<u>95,031</u>	<u>61,606</u>	<u>7,507</u>	<u>43,628</u>	<u>207,772</u>
At 31 December 2023	<u>95,031</u>	<u>61,606</u>	<u>7,507</u>	<u>43,628</u>	<u>207,772</u>
DEPRECIATION					
At 1 January 2023	-	48,335	6,750	33,694	88,779
Charge for year	-	3,395	327	2,412	6,134
	<u>-</u>	<u>51,730</u>	<u>7,077</u>	<u>36,106</u>	<u>94,913</u>
At 31 December 2023	<u>-</u>	<u>51,730</u>	<u>7,077</u>	<u>36,106</u>	<u>94,913</u>
NET BOOK VALUE					
At 31 December 2023	<u>95,031</u>	<u>9,876</u>	<u>430</u>	<u>7,522</u>	<u>112,859</u>
	<u>95,031</u>	<u>9,876</u>	<u>430</u>	<u>7,522</u>	<u>112,859</u>
At 31 December 2022	<u>-</u>	<u>13,587</u>	<u>41</u>	<u>935</u>	<u>14,563</u>
	<u>-</u>	<u>13,587</u>	<u>41</u>	<u>935</u>	<u>14,563</u>

16. STOCKS

	2023 £	2022 £
Stocks	<u>90,576</u>	<u>92,751</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	125,271	190,840
Other debtors	8,695	12,464
Prepayments and accrued income	22,699	22,559
	<u>156,665</u>	<u>225,863</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other loans (see note 20)	36,120	34,251
Trade creditors	69,450	103,735
Social security and other taxes	21,812	22,697
VAT	21,178	18,361
Other creditors	4,114	20,022
Deposits held on account	17,850	16,897
Accruals and deferred income	49,402	116,542
	<u>219,926</u>	<u>332,505</u>

	2023	2022
	£	£
Deferred income at 31 December 2022	82,266	96,957
Released from previous years	(82,266)	(96,957)
Income deferred in the year	49,978	82,266
	<u>49,978</u>	<u>82,266</u>

At the balance sheet date the Charity was holding the following income received in advance:

	2023	2022
	£	£
CWaC Furniture Scheme	17,850	16,897
RWT Main Grant	8,499	8,373
CCG Mental Health B&B	2,503	21,385
B&B Main Grant Lottery	18,571	20,280
Winsford Community Grocery Funding	-	6,015
Family Support Invoicing	-	6,933
All other small grants	2,555	2,383
	<u>49,978</u>	<u>82,266</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 20)	53,074	89,194

20. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	36,120	34,251
Amounts falling between one and two years:		
Other loans - 1-2 years	38,161	36,120
Amounts falling due between two and five years:		
Other loans - 2-5 years	14,913	53,074

21. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	128,433	97,211
Between one and five years	269,961	211,603
	398,394	308,814

22. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	470,803	29,423	500,226
Restricted funds			
Food Hub Grant	14,860	(14,860)	-
Kitchen Grant	-	5,000	5,000
	14,860	(9,860)	5,000
TOTAL FUNDS	485,663	19,563	505,226

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,343,121	(2,313,698)	29,423
Restricted funds			
Family Support	40,149	(40,149)	-
National Lottery Community Fund	75,996	(75,996)	-
Wellbeing	37,487	(37,487)	-
Food Hub Grant	-	(14,860)	(14,860)
Buddying & Befriending	4,480	(4,480)	-
Love Lostock Cheshire Food Hub	555	(555)	-
Kitchen Grant	5,000	-	5,000
Mental Health	18,882	(18,882)	-
Winter Box Project	84,248	(84,248)	-
VGG Container Rental	2,746	(2,746)	-
Dust Extraction Unit	938	(938)	-
VGG Food and Collection	10,000	(10,000)	-
Period Poverty Fund	250	(250)	-
	<u>280,731</u>	<u>(290,591)</u>	<u>(9,860)</u>
TOTAL FUNDS	<u><u>2,623,852</u></u>	<u><u>(2,604,289)</u></u>	<u><u>19,563</u></u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	561,745	(90,942)	470,803
Restricted funds			
Food Hub Grant	-	14,860	14,860
TOTAL FUNDS	<u><u>561,745</u></u>	<u><u>(76,082)</u></u>	<u><u>485,663</u></u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,140,155	(2,231,097)	(90,942)
Restricted funds			
Break Free Grant	5,096	(5,096)	-
Groundworks	33,370	(33,370)	-
Family Support	63,986	(63,986)	-
National Lottery Community Fund	79,224	(79,224)	-
Wellbeing	31,308	(31,308)	-
Slowcooker Grant	20,600	(20,600)	-
BSOG	1,833	(1,833)	-
Food Hub Grant	38,860	(24,000)	14,860
Buddying & Befriending	3,808	(3,808)	-
Winter Household Fund	15,479	(15,479)	-
Sanctuary Housing	1,500	(1,500)	-
Love Lostock Cheshire Food Hub	1,000	(1,000)	-
Kitchen Grant	2,950	(2,950)	-
Kickstart Training	2,360	(2,360)	-
Ukraine Project Grant	1,550	(1,550)	-
	<u>302,924</u>	<u>(288,064)</u>	<u>14,860</u>
TOTAL FUNDS	<u><u>2,443,079</u></u>	<u><u>(2,519,161)</u></u>	<u><u>(76,082)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	561,745	(61,519)	500,226
Restricted funds			
Kitchen Grant	-	5,000	5,000
TOTAL FUNDS	<u><u>561,745</u></u>	<u><u>(56,519)</u></u>	<u><u>505,226</u></u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,483,276	(4,544,795)	(61,519)
Restricted funds			
Break Free Grant	5,096	(5,096)	-
Groundworks	33,370	(33,370)	-
Family Support	104,135	(104,135)	-
National Lottery Community Fund	155,220	(155,220)	-
Wellbeing	68,795	(68,795)	-
Slowcooker Grant	20,600	(20,600)	-
BSOG	1,833	(1,833)	-
Food Hub Grant	38,860	(38,860)	-
Buddying & Befriending	8,288	(8,288)	-
Winter Household Fund	15,479	(15,479)	-
Sanctuary Housing	1,500	(1,500)	-
Love Lostock Cheshire Food Hub	1,555	(1,555)	-
Kitchen Grant	7,950	(2,950)	5,000
Kickstart Training	2,360	(2,360)	-
Ukraine Project Grant	1,550	(1,550)	-
Mental Health	18,882	(18,882)	-
Winter Box Project	84,248	(84,248)	-
VGG Container Rental	2,746	(2,746)	-
Dust Extraction Unit	938	(938)	-
VGG Food and Collection	10,000	(10,000)	-
Period Poverty Fund	250	(250)	-
	<hr/> 583,655	<hr/> (578,655)	<hr/> 5,000
TOTAL FUNDS	<hr/> <hr/> 5,066,931	<hr/> <hr/> (5,123,450)	<hr/> <hr/> (56,519)

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

Family Support - Schools invoiced by Terms for Support provided to primary schools by CLT - Funds cover wages of Support staff, management costs and admin fees.

National Lottery Community Fund - Funds received from the National Lottery Community fund - covers Buddy & Befriending wages, management costs and admin fees.

Wellbeing - Funds to assist with the costs of activities across Community support teams - Funds from Grants released to income for Community Support departments and Business development.

Food Hub Grant - Support towards running costs of the Northwich Community Hub.

Buddying & Befriending - Support towards activities for the Buddy & Befriending team, admin and management costs.

Love Lostock Cheshire Food Hub - Support towards running costs of the Northwich Community Hub.

Kitchen Grant - Funds for the New Kitchen at Winsford Community Hub.

Mental Health - Funds cover wages of Support staff, management costs and admin fees for the Mental Health section of Buddy & Befriending.

Winter Box Project - Funds to cover the costs of Christmas Food Boxes supplied by CLT, includes management and admin costs.

VGG Container Rental - Funds to help towards the cost of Refridgerated container hire sited at Northwich Community Hub.

Dust Extraction Unit - Funds towards cost and maintenance of the unit at Winsford Hub Road Two.

VGG Food and Collection - Funds towards staple food provided for the Very Green Groceries and collections.

Period Poverty Fund - Funds towards sanitary products provided at the Northwich Community Hub.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

CHANGING LIVES TOGETHER**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	17,927	3,791
Other trading activities		
Shop income	1,489,918	1,171,750
Waste credits, recycling, scrap and waste collection	355,817	362,622
Training and work experience	-	2,360
	<hr/> 1,845,735	<hr/> 1,536,732
Investment income		
Rents received	8,618	13,893
Interest receivable	11,040	3,200
	<hr/> 19,658	<hr/> 17,093
Charitable activities		
Transport	449,547	445,270
Grants	290,985	437,032
	<hr/> 740,532	<hr/> 882,302
Other income		
Other income	-	3,161
	<hr/>	<hr/>
Total incoming resources	2,623,852	2,443,079
EXPENDITURE		
Other trading activities		
Opening stock	92,751	108,634
Purchases	660,256	569,034
Wages	503,262	605,584
Hire of plant and machinery	23,983	9,081
Licensing	5,076	1,542
Bad debts	-	(12,000)
Vehicle hire	84,788	56,951
Motor expenses	52,682	48,104
Other direct costs	90,238	104,338
Property repairs	-	39,941
Impairment losses for fixed asset investments	-	3
Closing stock	(90,576)	(92,751)
	<hr/> 1,422,460	<hr/> 1,438,461
Charitable activities		
Wages	715,753	588,454
Carried forward	715,753	588,454

This page does not form part of the statutory financial statements

CHANGING LIVES TOGETHER**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Charitable activities		
Brought forward	715,753	588,454
Social security	83,655	69,649
Pensions	18,544	16,005
Other operating leases	62,044	65,035
Direct costs	278,802	290,205
Plant and machinery	3,395	8,922
Fixtures and fittings	327	229
Computer equipment	2,412	2,001
	<hr/>	<hr/>
	1,164,932	1,040,500
Support costs		
Finance		
Bank charges	629	943
Late payment fees	49	-
Bank interest	-	3,730
Bank loan interest	6,564	8,563
	<hr/>	<hr/>
	7,242	13,236
Governance costs		
Auditors' remuneration - current year	9,642	12,950
Auditors' remuneration - prior year	-	4,750
Other governance costs	13	9,264
	<hr/>	<hr/>
	9,655	26,964
	<hr/>	<hr/>
Total resources expended	2,604,289	2,519,161
	<hr/>	<hr/>
Net income/(expenditure)	<u>19,563</u>	<u>(76,082)</u>

REGISTERED COMPANY NUMBER: 07400060 (England and Wales)
REGISTERED CHARITY NUMBER: 1139983

CHANGING LIVES TOGETHER
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

CHANGING LIVES TOGETHER

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Overview

We are a Social Enterprise committed to delivering meaningful environmental, social and community impact and making a difference to the people of Cheshire. We provide creative and innovative solutions to social and environmental issues. Structured as a charitable company, we aim to be financially sustainable through enterprise but our social impacts (the way we help change people's lives) are at the core of why we do what we do.

We work extensively within our community to support people through a variety of work, training and volunteering programmes for long term unemployed, those with learning difficulties, ex-offenders, vulnerable, disabled and the excluded and isolated. One of our core values is that we support people in a way that maintains their personal dignity.

Our mission is to create a better life for local people and improve their environment and wellbeing.

Operational and retail

Affordable furniture, paint and appliances

Our warehouse team continued throughout the year to help the environment by collecting domestic Bulky Waste to reuse and recycle items that would otherwise be sent to landfill or other waste destinations. We work with our membership organisation, the Reuse Network, in providing "take-back" schemes for a number of national retailers where we help reduce waste as well as bringing damaged and "orphan" items back in to use. These activities of repair and "up-cycling" provide work placement opportunities for the individuals we support. This saved consumers over £500,000 in buying preloved instead of new.

Emergency assistance

We operate contracts with Local Authorities and Housing Associations to provide their welfare assistance schemes. We supply starter packs, furniture and white goods to hundreds of people and families in need every year in Cheshire East, Cheshire West & Chester and Warrington as well as housing associations. These schemes ensure those in need gain access to essential household items and receive an efficient delivery and installation process. In 2023, we supported over 7,000 families.

Bulky waste

Not all large household waste goes to landfill. We are proud to support Cheshire West Recycling Limited and Warrington Borough Council in collecting bulky domestic waste - and we try and repair, reuse and recycle as much as we can, last year we collected nearly 8,000 products, reusing or recycling 49%.

Community engagement

Our Buddying and Befriending scheme had been successful in securing a grant from The National Lottery Community Fund from April 21 for a period of 3 years. This has enabled us to continue our great work helping those who are over 50 living across Cheshire West and Cheshire East and are experiencing loneliness and social isolation. The service delivered over 350 matches between volunteers and clients in 2023.

Throughout the year our Family Support team continued their exceptional work in their school placements to help improve attendance, behaviour and achievement. They focus on early intervention, helping parents to develop the necessary coping skills and access a broad range of services. If our team can't help, they will put families in touch with somebody who can and arrange introductions. In 2023 over 100 families were directly supported by our in school teams.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The Very Green Grocery

Since starting out in 2020, the community grocery has gone from strength to strength in its provision and distribution of surplus food across Cheshire West. Utilising two vehicles we are collecting thousands of tonnes of surplus food across Cheshire, last year alone we calculate over 24,000 individual shops took place saving customers £400,000 in food costs and reducing carbon emissions by taking 500 tonnes of food intended for landfill.

We are now serving an average of 100 shoppers per session, 3 times a week. Our shoppers pay £5 a shop, receive goods worth considerably more, helping them stretch their budgets whilst reducing food waste. With the cost of living crisis this service has seen a huge increase in demand and we are working hard with our partners to secure food for the whole community.

The other part of the work at the groceries is the bringing together of volunteering opportunities. From warehousing, distribution, box projects, shop support, café service, gardening projects and building maintenance there is something for everyone. We have seen over 300 hundred volunteers who support the two groceries. Each one of our volunteers has been passionate about supporting their community and without their help and assistance these outcomes would be impossible.

Our site at Lostock is opens Monday to Friday with a Community Café offering low-cost hot food, the site now functions fully as a Community Centre open for use by partners and community groups.

In 2023 we also acquired another site in Winsford to open a second Very Green Grocery, Cafe and Community Centre and this has also seen a 50% footfall increase in residents using the service. The Board agreed investment from reserves to cosmetically improve the new site and ensure it is H&S compliant as the building was in a poor state of repair. Cheshire Community Fund also supported the installation of a kitchen / café with a grant.

Additionally, utilising surplus food we opened at Café at our Winsford Hub site, again providing low cost hot food. In 2024 we will introduce a Repair Café concept at all three Community Café's helping residents reuse and repair household items and clothing.

Furthermore CLT is continuing to explore the opportunity to provide surplus food distribution to the whole of Cheshire through a dedicated warehouse facility.

Community transport branded as Yourbus

We operate our community transport minibus services (Yourbus), which are contracted by Cheshire West and Chester Council (CWaC). The services we provide are Home to School, Adult Social Care, Dial A Ride and other contracts as required. These services provide, either free or subsidised access to schools, care centres, the high street, leisure and other services for members of the community who might otherwise miss out.

We also invested in extending our parking facilities at the Winsford Hub after the closure of the Navigation Road site, this ensure vehicles are safe, do not disrupt the local community and in the medium term will save CLT money as we no longer fund the Navigation Road site.

With over 2,000 schools trips and over 3,000 adult social care trips, the team transported over 10,000 passengers in 2023.

We are currently working closely with CWaC to understand how we can further improve this service for local residents and the wider community pending a tender in 2026.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Reuse Warehouse

We have invested in our main retail site, changing the brand to ensure the customer experience is like that of any retailer, thereby protecting dignity of shoppers who see our preloved offer the same as any other retail experience. New brands including "Off to a Good Home", "Planet Paint", "Recycles", etc give CLT the chance to move into smaller retail premises with a sub brand going forward.

The new look site is focussed on promoting the benefits of preloved in terms of environmental and fiscal impacts and we hope in 2024 the site can be used by local primary schools as an educational facility to support their curriculum. In 2024 we also plan to include preloved cycles as part of our retail offering.

A large part of the investment went into staff facilities, the board felt it was important to ensure both customers, volunteers and staff had decent office and toilet facilities which would support CLT's growth and increasing footfall.

We plan to grow our retail branches in 2024 to achieve a greater volume of donation volumes and support more communities with low cost, high quality, preloved products.

Systems

In 2023 we invested in a new EPOS system as our previous system was no longer supported and was limiting reporting and data accuracy. This system has now gone live and CLT have seen immediate benefits which support our future growth.

We engaged a new H&S Consultancy 'Rhino Safety Systems' to improve our internal processes and develop a paper free H&S Management System.

We developed a unique and bespoke Social Impact Dashboard allowing us to measure over 80 key performance metrics, this allows us to demonstrate and improve our impact to the Cheshire community.

We began working with MRD IT Support Services to achieve Cyber Essentials Plus accreditation in 2024.

People

Without our dedicated volunteers and staff, our mission would be impossible to achieve. In 2023 the board supported the implementation of the Real Living Wage and recognised the contribution from both staff and volunteers by financially contributing towards social events. This has allowed us to recognise the dedication and effort given by those working within the organisation and themselves feeling the impact of the cost of living crisis.

Furthermore we are focussed on building an open and engaging culture, every month our CEO holds a Grass Roots meeting with representatives from each area of the charity so everyone can feedback any issues or concerns which may be preventing them from delivering great results. We solve these operational problems quickly and we recognise outstanding achievements with a Volunteer and Employee of the Month Scheme which are nominated by our team.

The objective of the Charity currently is to try and remain a Real Living Wage Employer which means the majority of remuneration is defined by the revised RLW hourly figure released each November. All employees above this level are reviewed by the Board of Trustees, including management, and an appropriate figure based on economic circumstances and affordability is agreed, based on bench marketing, qualifications and contribution.

Costs

We have worked hard to renegotiate supplier contracts and eliminate spend wherever possible, closing sites and consolidating our operation, removing and reducing spend. During a period of high inflation our total outgoings did not increase in the year due to this cost cutting. We remain focussed on watching all spend to ensure monies are directed at helping the community.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Management Structure

The organisation is operationally led by a CEO reporting into the Board of Trustees. The CEO leads an experienced Head of Department flat hierarchy team listed below.

- CEO
- Head of Retail and Grocery
- Head of Development
- Head of Community Support
- Head of Community Transport
- Head of Finance
- Head of HR
- Head of Operations

Operational ongoing management is the remit of the leadership team with the CEO presenting progress updates on a weekly basis as well as at our bi-monthly Board Meetings. Significant strategic decisions are made at the board meetings with the leadership operating to a matrix of authority. Ad hoc exceptional issues will be raised between the CEO and Chair as and when required.

What was our impact in 2023?

- Our Bulky Waste activity saved over 2.5 tonnes of carbon going into landfill
- Our Help Scheme delivered over £1m worth of products to people in need
- Our Retail customers saved over £150k on buying reuse instead of new products
- Our Reuse team prepared and refurbished over 1,500 items that would have ended up in landfill
- Our Community Grocery gave out over 48,000 bags of shopping, residents shopped with us 24,000 times
- Our Buddy & Befriending Team matched over 360 lonely residents with a volunteer to prevent social isolation
- Family Support helped over 100 families last year
- Community Transport totalled over 24,000 miles and transported residents on over 11,000 journeys

Future planning

The Board hold regular strategic reviews with the Leadership Team to discuss future planning of Changing Lives Together, to collaborate with stakeholders and ask to become involved in a diverse range of issues affecting the community. All new opportunities would go through a detailed planning process to ensure as a minimum;

1. Does this meet our articles
2. Does this integrate and enhance our social impact
3. Can this be financially substantiable
4. Is this achievable

Any future change is then put into our growth and change strategy document which is discussed at each Strategy Meeting with the Board and Leadership Team.

Our key Headline Objectives

1. Growth
2. Health and safety Systems improvements
3. Review of IT infrastructure and Cyber Essential Plus
4. Internal and External Communications
5. ESG
6. Continuous Improvement

FINANCIAL REVIEW

Financial position

Our long-term policy has been to stand on our own feet with sustainable results and without excessive dependence on grant income. We reinvest when we can in our people and we are slowly building our reserves to a normal level for a charity of our size and complexity.

Total income in 2023 was £2,623,852 (2022 £2,443,079) and the charity generated a surplus of £19,563 (2022 a deficit of £76,082).

Investment policy

Available funds are transferred to interest bearing bank or building society accounts to maximise returns.

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL REVIEW

Reserves policy

The Trustees have agreed that the appropriate level of unrestricted liquid reserves should be sufficient to cover 3 months of routine expenditure i.e. to provide working capital to cover delays in the receipt of payments and grants and to provide a cushion for unexpected emergencies.

We have achieved this, our reserves at 31 December 2023 were £505,226.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Changing Lives Together (charity 1139983 and company 07400060) was incorporated on 7 October 2010 and commenced trading on the same date. The principal governing document is the Articles of Association adopted on 21 March 2019.

The objects of the charity are:

- 1 The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage, in particular but not exclusively, by the provision of affordable furniture, recycled and reused items and the provision of training, voluntary positions and work experience.
- 2 The protection and preservation of the physical and natural environment in particular but not exclusively by the promotion of sustainable waste management practices.
- 3 To provide transport facilities in particular but not exclusively in Cheshire and the surrounding area for people who have special need of such facilities because they are elderly, poor or disabled, people with young children or those living in isolated areas where there are no adequate public transport facilities.

Recruitment and appointment of new trustees

We have a written policy for the recruitment and induction of new trustees that gives all candidates a fair chance to see us in action and to deliver efficient support on appointment.

Management and governance

We continue to develop our Management and Governance structures.

Risk management

The trustees have regard to the Charities Commission guidance on Public Benefit and a robust approach to Risk Management. The trustees monitor risk by ensuring that the identification, assessment and mitigation of risk is linked to the achievement of the charity's operational objectives.

The trustee board at each meeting reviews Health and Safety performance, Safeguarding and Management Information (financial and operational) with a review of current and future obligations. The trustee board also reviews the financial impact of risk as part of operational budget planning and monitoring. Full consideration is given to the risks attached to significant new activities or opportunities, as is risk associated with external factors such as new legislation or new requirements from funders.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07400060 (England and Wales)

Registered Charity number

1139983

Registered office

Unit 12 Road Two
Winsford Industrial Estate
Winsford
Cheshire
CW7 3QL

CHANGING LIVES TOGETHER

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Trustees

B M Clarke
H E L Dillaway-Nickson
B G Dunn (resigned 23.2.24)
H C Kinsey
P Price
S T Taylor (resigned 19.1.24)
S M Tilling
C F Lees-Jones (appointed 30.6.23)

Auditors

Murray Smith LLP
Chartered Accountants
Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire
CW8 1AU

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

Bankers

Santander UK plc
Bridle Road
Merseyside
L30 4GB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

CHANGING LIVES TOGETHER

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

AUDITORS

The auditors, Murray Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 May 2024 and signed on its behalf by:

DocuSigned by:

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H E L Dilliway-Nickson - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHANGING LIVES TOGETHER (REGISTERED NUMBER: 07400060)

Opinion

We have audited the financial statements of Changing Lives Together (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHANGING LIVES TOGETHER (REGISTERED NUMBER: 07400060)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit procedures designed to identify irregularities included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of company staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHANGING LIVES TOGETHER (REGISTERED NUMBER: 07400060)**

Use of our report

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

DocuSigned by:

Michael Benson

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M G Benson (Senior Statutory Auditor)
for and on behalf of Murray Smith LLP
Chartered Accountants
Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire
CW8 1AU

29-05-2024

Date:

CHANGING LIVES TOGETHER**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	17,927	-	17,927	3,791
Charitable activities					
Charitable activities	6	459,801	280,731	740,532	882,302
Other trading activities	4	1,845,735	-	1,845,735	1,536,732
Investment income	5	19,658	-	19,658	17,093
Other income		-	-	-	3,161
Total		<u>2,343,121</u>	<u>280,731</u>	<u>2,623,852</u>	<u>2,443,079</u>
EXPENDITURE ON					
Raising funds	7	1,408,909	13,551	1,422,460	1,438,461
Charitable activities					
Charitable activities	8	<u>904,789</u>	<u>277,040</u>	<u>1,181,829</u>	<u>1,080,700</u>
Total		<u>2,313,698</u>	<u>290,591</u>	<u>2,604,289</u>	<u>2,519,161</u>
NET INCOME/(EXPENDITURE)		29,423	(9,860)	19,563	(76,082)
RECONCILIATION OF FUNDS					
Total funds brought forward		470,803	14,860	485,663	561,745
TOTAL FUNDS CARRIED FORWARD		<u><u>500,226</u></u>	<u><u>5,000</u></u>	<u><u>505,226</u></u>	<u><u>485,663</u></u>

The notes form part of these financial statements

CHANGING LIVES TOGETHER**BALANCE SHEET
31 DECEMBER 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	15	107,859	5,000	112,859	14,563
CURRENT ASSETS					
Stocks	16	90,576	-	90,576	92,751
Debtors	17	156,665	-	156,665	225,863
Cash at bank		385,998	32,128	418,126	574,185
		<u>633,239</u>	<u>32,128</u>	<u>665,367</u>	<u>892,799</u>
CREDITORS					
Amounts falling due within one year	18	(187,798)	(32,128)	(219,926)	(332,505)
NET CURRENT ASSETS		<u>445,441</u>	<u>-</u>	<u>445,441</u>	<u>560,294</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		553,300	5,000	558,300	574,857
CREDITORS					
Amounts falling due after more than one year	19	(53,074)	-	(53,074)	(89,194)
NET ASSETS		<u>500,226</u>	<u>5,000</u>	<u>505,226</u>	<u>485,663</u>
FUNDS	22				
Unrestricted funds				500,226	470,803
Restricted funds				5,000	14,860
TOTAL FUNDS				<u>505,226</u>	<u>485,663</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 May 2024 and were signed on its behalf by:

DocuSigned by:

Hedi Dillway-Nickson

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H E L Dillway-Nickson - Trustee

The notes form part of these financial statements

CHANGING LIVES TOGETHER**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(21,854)	10,561
Interest paid		(6,564)	(12,293)
		<u>(28,418)</u>	<u>(1,732)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Purchase of tangible fixed assets		(104,430)	(3,228)
Interest received		11,040	3,200
		<u>(93,390)</u>	<u>(28)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Loan repayments in year		(34,251)	(32,504)
		<u>(34,251)</u>	<u>(32,504)</u>
Net cash used in financing activities			
		<u>(156,059)</u>	<u>(34,264)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		574,185	608,449
		<u>574,185</u>	<u>608,449</u>
Cash and cash equivalents at the end of the reporting period		<u>418,126</u>	<u>574,185</u>

The notes form part of these financial statements

CHANGING LIVES TOGETHER**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	19,563	(76,082)
Adjustments for:		
Depreciation charges	6,134	11,152
Losses on investments	-	3
Interest received	(11,040)	(3,200)
Interest paid	6,564	12,293
Decrease in stocks	2,175	15,883
Decrease/(increase) in debtors	69,198	(23,770)
(Decrease)/increase in creditors	(114,448)	74,282
Net cash (used in)/provided by operations	<u>(21,854)</u>	<u>10,561</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank	574,185	(156,059)	418,126
	<u>574,185</u>	<u>(156,059)</u>	<u>418,126</u>
Debt			
Debts falling due within 1 year	(34,251)	(1,869)	(36,120)
Debts falling due after 1 year	(89,194)	36,120	(53,074)
	<u>(123,445)</u>	<u>34,251</u>	<u>(89,194)</u>
Total	<u>450,740</u>	<u>(121,808)</u>	<u>328,932</u>

The notes form part of these financial statements

CHANGING LIVES TOGETHER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. STATUTORY INFORMATION

Changing Lives Together is a private company, limited by guarantee, registered in England and Wales. The company's registered number, registered charity number and registered office can be found in the Reference and Administrative Details section of the Trustees' Report.

The presentation currency of the financial statements is in Pounds Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (effective 1 January 2019) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Changing Lives Together meets the definition of a public benefit entity under FRS 102.

Going concern

The charitable company meets its day to day working capital requirements through its cash resources and available loan facilities. The trustees have reviewed current and forecast activity and cash requirements for a period of at least 12 months from the date of the signing of the financial statements which show, taking into account reasonably possible changes in performance, that the charitable company should be able to operate within its available cash resources. After making enquiries, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Income

The policies adopted for the recognition of income are as follows:

Sale of goods

Income from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of income can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

Rendering of services

When the outcome of a transaction can be estimated reliably, income is recognised by reference to the stage of completion at the balance sheet date. Stage of completion is measured by reference to a notable milestone.

Where the outcome cannot be measured reliably, income is recognised only to the extent of the expenses recognised that are recoverable.

Grants

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, and performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Goodwill

Goodwill relates to the amount paid in connection with the acquisitions of a business, and is now fully amortised.

CHANGING LIVES TOGETHER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Short leasehold	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition. Stocks of unsold donated goods are valued only at the cost of bringing the items to their present location as it is not considered practical to estimate the fair value due to their cost being nil and their value is uncertain until sold.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the Statement of Financial Activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Short term debtors and creditors

Short term debtors and creditors with no stated interest rate are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, cash held with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Pension costs and other post-retirement benefits

The charitable company makes contribution to employees' pension schemes. Contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****2. ACCOUNTING POLICIES - continued****Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	17,927	3,791

4. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Shop income	1,489,918	1,171,750
Waste credits, recycling, scrap and waste collection	355,817	362,622
Training and work experience	-	2,360
	<u>1,845,735</u>	<u>1,536,732</u>

5. INVESTMENT INCOME

	2023	2022
	£	£
Rents received	8,618	13,893
Interest receivable	11,040	3,200
	<u>19,658</u>	<u>17,093</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023	2022
		£	£
Transport	Charitable activities	449,547	445,270
Grants	Charitable activities	290,985	437,032
		<u>740,532</u>	<u>882,302</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
General fund	10,254	26,442
Buddying & befriending	4,480	3,808
Break free grant	-	5,096
BSOG	-	6,400
Family support	40,149	63,986
Food hub grant	-	34,293
Groundworks	-	33,370
Kitchen grant	5,000	2,950
Love Lostock Cheshire Food hub	555	1,000
National lottery community fund	75,996	79,224
Sanctuary housing	-	1,500
Slowcooker grant	-	20,600
	<u>136,434</u>	<u>278,669</u>
Carried forward		

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****6. INCOME FROM CHARITABLE ACTIVITIES - continued**

	2023	2022
	£	£
Brought forward	136,434	278,669
Kickstart training	-	2,360
Ukraine project grant	-	1,550
Wellbeing	37,487	31,308
Winter household fund	-	15,479
Winter Box Project	84,248	107,666
VGG Container Rental	2,746	-
Dust Extraction Unit	938	-
VGG Food and Collection	10,000	-
Period Poverty Fund	250	-
Mental Health Grant	18,882	-
	<u>290,985</u>	<u>437,032</u>

7. RAISING FUNDS**Other trading activities**

	2023	2022
	£	£
Opening stock	92,751	108,634
Purchases	660,256	569,034
Closing stock	(90,576)	(92,751)
Staff costs	503,262	605,584
Hire of plant and machinery	23,983	9,081
Licensing	5,076	1,542
Bad debts	-	(12,000)
Vehicle hire	84,788	56,951
Motor expenses	52,682	48,104
Other direct costs	90,238	104,338
Property repairs	-	39,941
Impairment losses	-	3
	<u>1,422,460</u>	<u>1,438,461</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Charitable activities	<u>1,164,932</u>	<u>16,897</u>	<u>1,181,829</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****9. SUPPORT COSTS**

	Finance	Governance	Totals
	£	costs	£
	£	£	£
Charitable activities	7,242	9,655	16,897
	<u>7,242</u>	<u>9,655</u>	<u>16,897</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Auditors' remuneration - current year	8,670	8,500
Auditors' remuneration - accountancy services	-	4,000
Auditors' remuneration - assurance services	972	450
Auditors' remuneration - prior year	-	4,750
Depreciation - owned assets	6,134	11,152
Hire of plant and machinery	23,983	9,081
Other operating leases	62,044	65,035
	<u>62,044</u>	<u>65,035</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

12. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,219,015	1,194,038
Social security costs	83,655	69,649
Other pension costs	18,544	16,005
	<u>1,321,214</u>	<u>1,279,692</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Management team	5	4
Warehouse/reuse	28	28
Administrative	6	5
Retail	4	4
Community hubs	6	3
Community engagement	9	9
Community transport	18	20
	<u>76</u>	<u>73</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****12. STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<u>1</u>	<u>-</u>
	<u><u>1</u></u>	<u><u>1</u></u>

Total emoluments for key management personnel totalled £264,755 (2022: £246,141).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,791	-	3,791
Charitable activities			
Charitable activities	579,378	302,924	882,302
Other trading activities	1,536,732	-	1,536,732
Investment income	17,093	-	17,093
Other income	3,161	-	3,161
Total	<u>2,140,155</u>	<u>302,924</u>	<u>2,443,079</u>
EXPENDITURE ON			
Raising funds	1,438,461	-	1,438,461
Charitable activities			
Charitable activities	<u>792,636</u>	<u>288,064</u>	<u>1,080,700</u>
Total	<u>2,231,097</u>	<u>288,064</u>	<u>2,519,161</u>
NET INCOME/(EXPENDITURE)	(90,942)	14,860	(76,082)
RECONCILIATION OF FUNDS			
Total funds brought forward	561,745	-	561,745
TOTAL FUNDS CARRIED FORWARD	<u><u>470,803</u></u>	<u><u>14,860</u></u>	<u><u>485,663</u></u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****14. INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 January 2023	6,157
Disposals	(6,157)
	<u>-</u>
At 31 December 2023	<u>-</u>
AMORTISATION	
At 1 January 2023	6,157
Eliminated on disposal	(6,157)
	<u>-</u>
At 31 December 2023	<u>-</u>
NET BOOK VALUE	
At 31 December 2023	<u>-</u>
	<u>-</u>
At 31 December 2022	<u>-</u>
	<u>-</u>

15. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 January 2023	-	61,922	6,791	34,629	103,342
Additions	95,031	(316)	716	8,999	104,430
	<u>95,031</u>	<u>61,606</u>	<u>7,507</u>	<u>43,628</u>	<u>207,772</u>
At 31 December 2023	<u>95,031</u>	<u>61,606</u>	<u>7,507</u>	<u>43,628</u>	<u>207,772</u>
DEPRECIATION					
At 1 January 2023	-	48,335	6,750	33,694	88,779
Charge for year	-	3,395	327	2,412	6,134
	<u>-</u>	<u>51,730</u>	<u>7,077</u>	<u>36,106</u>	<u>94,913</u>
At 31 December 2023	<u>-</u>	<u>51,730</u>	<u>7,077</u>	<u>36,106</u>	<u>94,913</u>
NET BOOK VALUE					
At 31 December 2023	<u>95,031</u>	<u>9,876</u>	<u>430</u>	<u>7,522</u>	<u>112,859</u>
	<u>95,031</u>	<u>9,876</u>	<u>430</u>	<u>7,522</u>	<u>112,859</u>
At 31 December 2022	<u>-</u>	<u>13,587</u>	<u>41</u>	<u>935</u>	<u>14,563</u>
	<u>-</u>	<u>13,587</u>	<u>41</u>	<u>935</u>	<u>14,563</u>

16. STOCKS

	2023 £	2022 £
Stocks	<u>90,576</u>	<u>92,751</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	125,271	190,840
Other debtors	8,695	12,464
Prepayments and accrued income	22,699	22,559
	<u>156,665</u>	<u>225,863</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other loans (see note 20)	36,120	34,251
Trade creditors	69,450	103,735
Social security and other taxes	21,812	22,697
VAT	21,178	18,361
Other creditors	4,114	20,022
Deposits held on account	17,850	16,897
Accruals and deferred income	49,402	116,542
	<u>219,926</u>	<u>332,505</u>

	2023	2022
	£	£
Deferred income at 31 December 2022	82,266	96,957
Released from previous years	(82,266)	(96,957)
Income deferred in the year	49,978	82,266
	<u>49,978</u>	<u>82,266</u>

At the balance sheet date the Charity was holding the following income received in advance:

	2023	2022
	£	£
CWaC Furniture Scheme	17,850	16,897
RWT Main Grant	8,499	8,373
CCG Mental Health B&B	2,503	21,385
B&B Main Grant Lottery	18,571	20,280
Winsford Community Grocery Funding	-	6,015
Family Support Invoicing	-	6,933
All other small grants	2,555	2,383
	<u>49,978</u>	<u>82,266</u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 20)	53,074	89,194

20. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	36,120	34,251
Amounts falling between one and two years:		
Other loans - 1-2 years	38,161	36,120
Amounts falling due between two and five years:		
Other loans - 2-5 years	14,913	53,074

21. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	128,433	97,211
Between one and five years	269,961	211,603
	398,394	308,814

22. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	470,803	29,423	500,226
Restricted funds			
Food Hub Grant	14,860	(14,860)	-
Kitchen Grant	-	5,000	5,000
	14,860	(9,860)	5,000
TOTAL FUNDS	485,663	19,563	505,226

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,343,121	(2,313,698)	29,423
Restricted funds			
Family Support	40,149	(40,149)	-
National Lottery Community Fund	75,996	(75,996)	-
Wellbeing	37,487	(37,487)	-
Food Hub Grant	-	(14,860)	(14,860)
Buddying & Befriending	4,480	(4,480)	-
Love Lostock Cheshire Food Hub	555	(555)	-
Kitchen Grant	5,000	-	5,000
Mental Health	18,882	(18,882)	-
Winter Box Project	84,248	(84,248)	-
VGG Container Rental	2,746	(2,746)	-
Dust Extraction Unit	938	(938)	-
VGG Food and Collection	10,000	(10,000)	-
Period Poverty Fund	250	(250)	-
	<u>280,731</u>	<u>(290,591)</u>	<u>(9,860)</u>
TOTAL FUNDS	<u><u>2,623,852</u></u>	<u><u>(2,604,289)</u></u>	<u><u>19,563</u></u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	561,745	(90,942)	470,803
Restricted funds			
Food Hub Grant	-	14,860	14,860
TOTAL FUNDS	<u><u>561,745</u></u>	<u><u>(76,082)</u></u>	<u><u>485,663</u></u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,140,155	(2,231,097)	(90,942)
Restricted funds			
Break Free Grant	5,096	(5,096)	-
Groundworks	33,370	(33,370)	-
Family Support	63,986	(63,986)	-
National Lottery Community Fund	79,224	(79,224)	-
Wellbeing	31,308	(31,308)	-
Slowcooker Grant	20,600	(20,600)	-
BSOG	1,833	(1,833)	-
Food Hub Grant	38,860	(24,000)	14,860
Buddying & Befriending	3,808	(3,808)	-
Winter Household Fund	15,479	(15,479)	-
Sanctuary Housing	1,500	(1,500)	-
Love Lostock Cheshire Food Hub	1,000	(1,000)	-
Kitchen Grant	2,950	(2,950)	-
Kickstart Training	2,360	(2,360)	-
Ukraine Project Grant	1,550	(1,550)	-
	<u>302,924</u>	<u>(288,064)</u>	<u>14,860</u>
TOTAL FUNDS	<u><u>2,443,079</u></u>	<u><u>(2,519,161)</u></u>	<u><u>(76,082)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	561,745	(61,519)	500,226
Restricted funds			
Kitchen Grant	-	5,000	5,000
TOTAL FUNDS	<u><u>561,745</u></u>	<u><u>(56,519)</u></u>	<u><u>505,226</u></u>

CHANGING LIVES TOGETHER**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2023****22. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,483,276	(4,544,795)	(61,519)
Restricted funds			
Break Free Grant	5,096	(5,096)	-
Groundworks	33,370	(33,370)	-
Family Support	104,135	(104,135)	-
National Lottery Community Fund	155,220	(155,220)	-
Wellbeing	68,795	(68,795)	-
Slowcooker Grant	20,600	(20,600)	-
BSOG	1,833	(1,833)	-
Food Hub Grant	38,860	(38,860)	-
Buddying & Befriending	8,288	(8,288)	-
Winter Household Fund	15,479	(15,479)	-
Sanctuary Housing	1,500	(1,500)	-
Love Lostock Cheshire Food Hub	1,555	(1,555)	-
Kitchen Grant	7,950	(2,950)	5,000
Kickstart Training	2,360	(2,360)	-
Ukraine Project Grant	1,550	(1,550)	-
Mental Health	18,882	(18,882)	-
Winter Box Project	84,248	(84,248)	-
VGG Container Rental	2,746	(2,746)	-
Dust Extraction Unit	938	(938)	-
VGG Food and Collection	10,000	(10,000)	-
Period Poverty Fund	250	(250)	-
	<hr/> 583,655	<hr/> (578,655)	<hr/> 5,000
TOTAL FUNDS	<hr/> <hr/> 5,066,931	<hr/> <hr/> (5,123,450)	<hr/> <hr/> (56,519)

CHANGING LIVES TOGETHER

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

22. MOVEMENT IN FUNDS - continued

Family Support - Schools invoiced by Terms for Support provided to primary schools by CLT - Funds cover wages of Support staff, management costs and admin fees.

National Lottery Community Fund - Funds received from the National Lottery Community fund - covers Buddy & Befriending wages, management costs and admin fees.

Wellbeing - Funds to assist with the costs of activities across Community support teams - Funds from Grants released to income for Community Support departments and Business development.

Food Hub Grant - Support towards running costs of the Northwich Community Hub.

Buddying & Befriending - Support towards activities for the Buddy & Befriending team, admin and management costs.

Love Lostock Cheshire Food Hub - Support towards running costs of the Northwich Community Hub.

Kitchen Grant - Funds for the New Kitchen at Winsford Community Hub.

Mental Health - Funds cover wages of Support staff, management costs and admin fees for the Mental Health section of Buddy & Befriending.

Winter Box Project - Funds to cover the costs of Christmas Food Boxes supplied by CLT, includes management and admin costs.

VGG Container Rental - Funds to help towards the cost of Refridgerated container hire sited at Northwich Community Hub.

Dust Extraction Unit - Funds towards cost and maintenance of the unit at Winsford Hub Road Two.

VGG Food and Collection - Funds towards staple food provided for the Very Green Groceries and collections.

Period Poverty Fund - Funds towards sanitary products provided at the Northwich Community Hub.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

CHANGING LIVES TOGETHER**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	17,927	3,791
Other trading activities		
Shop income	1,489,918	1,171,750
Waste credits, recycling, scrap and waste collection	355,817	362,622
Training and work experience	-	2,360
	<hr/> 1,845,735	<hr/> 1,536,732
Investment income		
Rents received	8,618	13,893
Interest receivable	11,040	3,200
	<hr/> 19,658	<hr/> 17,093
Charitable activities		
Transport	449,547	445,270
Grants	290,985	437,032
	<hr/> 740,532	<hr/> 882,302
Other income		
Other income	-	3,161
	<hr/>	<hr/>
Total incoming resources	2,623,852	2,443,079
EXPENDITURE		
Other trading activities		
Opening stock	92,751	108,634
Purchases	660,256	569,034
Wages	503,262	605,584
Hire of plant and machinery	23,983	9,081
Licensing	5,076	1,542
Bad debts	-	(12,000)
Vehicle hire	84,788	56,951
Motor expenses	52,682	48,104
Other direct costs	90,238	104,338
Property repairs	-	39,941
Impairment losses for fixed asset investments	-	3
Closing stock	(90,576)	(92,751)
	<hr/> 1,422,460	<hr/> 1,438,461
Charitable activities		
Wages	715,753	588,454
Carried forward	715,753	588,454

This page does not form part of the statutory financial statements

CHANGING LIVES TOGETHER**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Charitable activities		
Brought forward	715,753	588,454
Social security	83,655	69,649
Pensions	18,544	16,005
Other operating leases	62,044	65,035
Direct costs	278,802	290,205
Plant and machinery	3,395	8,922
Fixtures and fittings	327	229
Computer equipment	2,412	2,001
	<hr/>	<hr/>
	1,164,932	1,040,500
Support costs		
Finance		
Bank charges	629	943
Late payment fees	49	-
Bank interest	-	3,730
Bank loan interest	6,564	8,563
	<hr/>	<hr/>
	7,242	13,236
Governance costs		
Auditors' remuneration - current year	9,642	12,950
Auditors' remuneration - prior year	-	4,750
Other governance costs	13	9,264
	<hr/>	<hr/>
	9,655	26,964
	<hr/>	<hr/>
Total resources expended	2,604,289	2,519,161
	<hr/>	<hr/>
Net income/(expenditure)	<u>19,563</u>	<u>(76,082)</u>

Changing Lives Together

Audit Completion Report Year ended 31 December 2023

8 May 2024

Strictly private and confidential

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Heidi Dilliway-Nickson



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This document is prepared solely for Changing Lives Together and should be read in its entirety. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must be obtained before this document, or any part of it, is disclosed to a third party.



1 Executive summary

Principal conclusions

Our audit has been conducted in accordance with International Standards on Auditing (UK) and our approach was based on a profit and loss and balance sheet audit using detailed substantive testing techniques. Analytical review procedures have been used at the planning and completion stages to help ensure that our testing is focused on the key areas and that the reported figures are consistent with our expectations.

In section 2 of this report, we have set out our conclusions and findings from our audit. This section includes conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum of which the principal ones were:

- Management override of controls.
- Revenue recognition.
- Completeness and accuracy of creditors, accruals and deferred income
- Accuracy of trade debtors.
- Going concern.
- Related party transactions.

Unadjusted misstatements

Section 7 sets out the unadjusted misstatements identified during our audit work. In aggregate all unadjusted errors are immaterial.

Status of the audit and audit opinion

We have substantially completed our audit in respect of the financial statements for the year ended 31 December 2023.

We are pleased to report that subject to discussion of the matters raised in this report and a further review of post balance sheet events, it is our intention to issue an unqualified opinion, without modification, on the financial statements.

We would like to take this opportunity to express our thanks to the Changing Lives Together staff for their assistance during our audit. We received full cooperation and transparency during the audit.



2 Audit findings

Set out below are the significant findings from our audit. These findings include:

- our audit conclusions regarding significant risks and key areas of management judgement;
- our comments in respect of the accounting policies and disclosures that have been adopted in the financial statements;
- any further significant matters discussed with management; and
- any significant difficulties we experienced during the audit.

Significant risks and key areas of management judgement

Management override of controls	Description of risk Under ISA 240 (UK) there is a presumption that the risk of management override of controls is present in all entities. Management at various levels within an organisation are in a position to perpetrate fraud because of their ability to manipulate accounting records by overriding controls.
	How we addressed this risk We undertook the following audit procedures in this area: <ul style="list-style-type: none">• Reviewed accounting estimates, judgements and decisions made by management.• Reviewed any large and/or unusual transactions.• Tested a sample of journals throughout the year as well as pre and post year-end adjustments.
	Audit conclusion No significant issues or instances of management override of internal controls were identified from our audit procedures.



2 Audit findings (continued)

Revenue recognition	Description of risk
	Under ISA 240 (UK) there is a presumed risk that revenue may be misstated due to the improper recognition of revenue (including under and overstatement).
	How we addressed this risk
	<p>We undertook the following audit procedures in relation to revenue;</p> <ul style="list-style-type: none">• Reviewed recognition policies for appropriateness under FRS 102.• Reviewed income recognised in the year, compared to expectations and prior years, and obtained explanations for significant or unusual variances.• Reviewed and tested cut off at the year end.• Reviewed and tested deferred income to ensure that revenue has been appropriately recognized.
	Audit conclusion
	There are no significant issues or instances of improper revenue recognition which were identified from our audit procedures.



2 Audit findings (continued)

Completeness and accuracy of creditors, accruals and deferred income	<p>Description of risk The level and size of transactions for the company increases the risk of errors in recording liabilities accurately and on a timely basis.</p> <p>How we addressed this risk We undertook the following audit procedures in this area;</p> <ul style="list-style-type: none"> • Vouched a sample of supplier statements to agree 'key' supplier balances at the year end. • Tested a sample of invoices received and supplier payments made during the period following the year end to ensure liabilities have been recognised in the appropriate period. • Performed a review of accruals and any provisions at the year end. • Performed a review of deferred income and any provisions at the year end. <p>Audit conclusion There are no significant issues with the completeness of creditors, accruals and deferred income which were identified from our audit procedures.</p>
Accuracy of trade debtors	<p>Description of risk The level and size of transactions for the company increases the risk of recoverability and potential misstatement.</p> <p>How we addressed this risk We undertook the following audit procedures in this area:</p> <ul style="list-style-type: none"> • Reviewed post year end customer receipts to agree a number of large customer balances at the year end. • Carried out cut off testing and reviewed post year end credit notes to ensure the year end balance was correctly stated. <p>Audit conclusion There are no significant issues with the accuracy of trade debtors which were identified from our audit procedures.</p>



2 Audit findings (continued)

Going concern	<p>Description of risk Under ISA 570 (UK) there is a presumed risk of management bias when carrying out an assessment of the entity's ability to continue as a going concern.</p> <p>How we addressed this risk We undertook the following audit procedures in this area:</p> <ul style="list-style-type: none"> • Obtained post year end management accounts and the forecasts for 2024 and 2025 and considered whether these support the going concern assumption. • Reviewed post year end bank statements for any unusual transactions or indications that going concern is not appropriate. • Considered financial, operational, and other indicators which may suggest that the use of going concern is not appropriate. <p>Audit conclusion We did not identify any issues in respect of the adoption of the going concern assumption. We are satisfied the going concern disclosures in the financial statements are appropriate.</p>
Related party balances	<p>Description of risk Under ISA 550 (UK) there is a presumed risk of material misstatement connected with the entity's failure to account for and disclosure related party relationships and transactions in line with the applicable financial reporting framework.</p> <p>How we addressed this risk We undertook the following audit procedures in this area:</p> <ul style="list-style-type: none"> • Obtained an understanding of related party relationships and transactions. • Reviewed documents and records for unidentified or undisclosed related party balance transactions. <p>Audit conclusion We did not identify any issues in respect of related party transactions. We are satisfied the related party disclosures in the financial statements are appropriate.</p>



2 Audit findings (continued)

Accounting policies and disclosures

We have reviewed the accounting policies and disclosures in the financial statements and concluded they comply with applicable accounting standards including United Kingdom Account Standards (United Kingdom Generally Accepted Accounting Practice) (FRS 102) “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

Significant matters discussed with management

There have been no significant matters discussed with management.

Significant difficulties during the audit

We did not encounter any significant difficulties during our audit, and we have had the full cooperation of management.

3 Financial highlights



Statement of Financial Activities

	2023 £'000	2022 £'000	2021 £'000
Income			
Donations and legacies	18	4	7
Transport	450	445	417
Grants	291	437	718
Other trading activities	1,845	1,537	1,373
Investment and other income	20	20	67
Total income	2,624	2,443	2,582
Staff costs	(1,321)	(1,280)	(1,156)
Other trading activities - expenditure	(919)	(834)	(952)
Administrative expenses	(359)	(394)	(236)
Depreciation	(6)	(11)	(14)
Net movement in funds	19	(76)	224
Fund balance brought forward	486	562	338
Fund balances on 31 December 2023	505	486	562



3 Financial highlights (continued)

Total income has increased by approximately 7% from 2022 to 2023, mainly due to an increase of shop income.

Staff costs measured against total income represented 50.3% (2022: 52.4%). FY22 included £52k of redundancy costs as well as additional costs due to the crossover of some job roles.

In overview, FY23 produced a surplus of £19k. This is a significant improvement from FY22 and is partly due a stable workforce and no large property repairs included in expenditure.



3 Financial highlights (continued)

Statement of Financial Position

	2023 £'000	2022 £'000
Fixed assets – Tangible	113	15
Current assets		
Stock	91	93
Trade debtors	125	191
Other debtors and prepayments	31	35
Cash at bank and in hand	418	574
Total current assets	665	893
Current liabilities		
Trade creditors	(69)	(104)
Other taxation and social security	(43)	(41)
Other loans	(36)	(34)
Other creditors	(22)	(37)
Accruals and deferred income	(50)	(117)
Total current liabilities	(220)	(333)
Net current assets	445	560
Loans due after one year	(53)	(89)
Net assets	505	486

The fixed asset increase reflects a depreciation charge of £6k and capital expenditure of £104k on improvements to the warehouse.

The year end cash balance of £418k is down by £156k on the previous period as a result of the capital expenditure.

Trade creditors decreased from £104k in 2022 to £69k in 2023 as there were some large domestic appliances purchased in the last month of 2022 totaling £47k.

The liquidity position remains strong with net current assets at £445k.

The net assets have increased to £505k due to the £19k surplus for the year.



4 Other communication requirements

Potential issue	Comments
Matters in relation to fraud	We have not been made aware of any significant incidents during the year and no issues have been identified during the course of our audit procedures.
Matters in relation to related parties	We are not aware of any related party transactions which have not been disclosed by management.
Matters in relation to laws and regulations	We are not aware of any significant instances of non-compliance with relevant laws and regulations that could have a significant impact on the financial statements.
Written representations	A specific representation has been requested in respect of the basis of preparation of the financial statements.
Confirmation requests from third parties	We have requested and obtained direct confirmation from the banks of the balances on all bank accounts and facilities as at 31 December 2023.
Disclosures	Our review has found no material omissions in the financial statements.



5 Internal controls

The purpose of an audit is for the auditor to express an opinion on the financial statements. Our audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.

The matters being reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance. (ISA UK 265)

No	Issue and risk	Recommendations	Risk	Management comment	Timescale
1	Prepayments and accruals Prepayment and accruals listings are not maintained throughout the year.	The finance team should prepare and maintain detailed prepayment and accruals listings throughout the year. These should be agreed to the monthly management accounts.	Low	Agreed by Head of Finance and will be implemented going forwards.	Immediately
2	Debit Cards Debit cards are held by the heads of departments. There are no limits for the amounts that can be spent on these cards, and there is no pre-authorisation of any transactions.	The board should review the current policy and consider if it is still appropriate for the Charity. An alternative would be the use of credit cards; this would allow the Charity to set spending limits as well as receiving monthly statements.	Low	We have asked all management to adhere to the delegated authority matrix and to ensure all purchases are put into Sage, this will mean we have reasons for the purchase and an image of a receipt. The information is instantaneously available to finance to view, we do not see a need to bring in credit cards	N/A

6 Adjustments



During the audit the following adjustments were agreed with the Charity's management:

	£000	£000
Net income/(expenditure) per initial trial balance		6
Opening balance adjustments	<u>6</u>	6
Other adjustments:		
Overstatement of accruals – release of FY22 accruals	19	
Overstatement of prepayments – release of FY22 prepayments	<u>(12)</u>	7
Net income/(expenditure) per 2023 accounts		19



7 Unadjusted misstatements

Potential errors		Statement of comprehensive income		Balance sheet		Profit/(loss) effect	Reason for not adjusting
		Dr £'000	Cr £'000	Dr £'000	Cr £'000	£'000	
Cr	<i>Rent</i>		1			1	Not considered material
Dr	<i>Prepayments</i>			1			
	<i>Being purchase cut off error</i>						
						1	Total Profit and Loss effect



8 Independence and ethics

In accordance with professional requirements and our ongoing risk assessment, we have reviewed the relationships between Murray Smith LLP and Changing Lives Together that are relevant to the independence and the objectivity of the audit partner and the audit staff.

We can confirm that there are no significant facts or matters that impact our independence as auditors, except for our involvement in the preparation of financial statements and safeguards have been implemented in this respect. We have complied with the Financial Reporting Council's Ethical Standard and confirm that we, as a firm, and each staff member, are independent and are able to express an objective opinion on the financial statements.

9 Communication of audit matters with those charged with governance



Communication	Audit Planning Memo	Audit Completion Report
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of planned scope, approach, and timing	✓	
Confirmation of independence and ethical standards	✓	✓
Significant risks and key judgemental areas	✓	✓
Significant matters in relation to going concern	✓	✓
Significant findings from the audit		✓
Significant matters and issues arising during the audit and written representations have been sought		✓
Significant difficulties encountered during the audit		✓
Significant matters arising in connection to related parties		✓
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		✓
Non-compliance with laws and regulations		✓
Unadjusted misstatements		✓
Any expected modifications to the auditor's report		✓

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

The Audit Planning Memorandum outlined our audit strategy and plan to deliver the audit, while this Audit Completion report presents key issues, findings and other matters which arose from the audit, together with an explanation as to how they have been resolved.

We, as auditors, are responsible for forming and expressing an opinion on the financial statements. Our responsibilities are also set out in the engagement letter.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.