

CHANGING LIVES CHARITY

England & Wales · Charity number 1161892

Details

Other names CHANGING LIVES CHARITY, RE:MISSION, ANDREW HOUSE

Status Registered

Legal form Charitable company

Company number [09517906](#)

Registered 2015-05-28

Register [View on the Charity Commission register](#)

Contact

Address 51 Woodington Road
Clevedon
North So

Phone 01275 218056

Email TERRY.MEARS@CHANGINGLIVESCHARITY.ORG.UK

Activities

Objects: THE CHARITY'S OBJECT IS, FOR THE PUBLIC BENEFIT, THE RELIEF OF THOSE IN NEED BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER SOCIAL OR ECONOMIC DISADVANTAGE.

Activities: The charity is active in North Somerset and South Gloucestershire, enabling men and women to regain independence following a period of dependency on drugs , alcohol or the use of both. It has a social enterprise which helps men and women get ready for work by providing opportunities for purposeful voluntary work in retail services. This includes free tuition for appropriate volunteers.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Somerset
- South Gloucestershire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£757,485	£709,707	£88,518	15
2024-09-30	£706,158	£724,530	£40,740	13
2023-09-30	£643,373	£717,344	£54,586	15
2022-09-30	£499,999	£545,894	-	-
2021-09-30	£573,752	£409,210	£175,940	12
2020-09-30	£99,759	£266,922	-	-

Trustees

Name	Role	Appointed
Catriona Aldwinckle		2025-01-23
Daniel Patrick Sibthorpe		2021-07-22
Dr Jennifer Ann Schaefer		2022-02-01
IAN BURNHAM FCA		2017-04-24
Kenneth Martin Knight		2025-01-23

CHANGING LIVES CHARITY

England & Wales - Charity number 1161892

Accounts



CHANGING LIVES CHARITY

Trustees' Annual Report & Financial

Statements for the year ended

30 September 2025

A Company Limited by Guarantee and a Registered Charity

Company Registration No 9517906

Charity Registration No 1161892

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OFFICERS AND PROFESSIONAL ADVISERS

Company Number 9517906

Charity Number 1161892

Registered Office Unit 2a, Kimberley Road,
Clevedon, North Somerset BS21 6QJ

**Trustees (who are also directors
for the purposes of Company law)**

Daniel Sibthorpe (Chair)
Ian Burnham FCA
Jennifer Schaefer
Catriona Aldwinkle (appointed 23 January 2025)
Martin Knight (appointed 23 January 2025)

Secretary Terry Mears

Bankers for Changing Lives Charity CAF Bank Limited, 25 Kings Hill Avenue, Kings
Hill, West Malling, Kent, ME19 4JQ

Lloyds Bank plc. Clevedon Branch

Independent Examiner Gravita, Chartered Accountants, 2nd
Floor, South, One Castle Park, Bristol, BS2
0JA

CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2025.

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 30 September 2025.

The financial statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Changing Lives Charity (CHANGING LIVES) is a Charity registered with the Charity Commission and operates as a Company Limited by Guarantee which is registered at Companies House and has been operating in this form since 2015. CHANGING LIVES is physically centred in Clevedon but operates throughout North Somerset.

We aim to bring love, recovery, support, unconditional acceptance and encouragement to the people of North Somerset without fear or favour of their background, beliefs, ethnicity or personal status.

Overview of 2024/25

The reporting period Oct 2024-Sept 2025 has been a critical year in the reshaping of the charity and bringing to fruition many of the plans projected in previous Trustees' Reports. An overview of this is as follows:

- *CHANGING LIVES* enjoyed the services of the Interim CEO, Ian Burnham, throughout this period which resulted in a year of stability and financial control
- Under Ian's direction and the valued contribution of Staff, Volunteers and Trustees, *CHANGING LIVES* made an operating surplus of almost £48k in the year – this was as a **direct** result of implementing the objectives of the internal "Business & Investment Plan" created in 2021 and as refreshed in 2024.
- 2 new Trustees were appointed to strengthen the existing team making 5 Trustees – this was implemented on 23rd January 2025. Catriona Aldwinkle brings experience of large company management, fiscal control and personnel management. Martin Knight brings experience of running charities, housing knowledge and commercial acumen.
- The charity WDGB Ltd (working name KeySteps) was merged with *CHANGING LIVES* from 1st April 2025 and brought some positive financial assets, private rental housing (PRS) experience, a number of supported service users and more reach in Weston-super-Mare which complements the mission of *CHANGING LIVES*
- A new experienced fundraiser was appointed in January 2025 and she has proved to be very effective in this role but the real benefit is likely to be delivered in future years
- *CHANGING LIVES* underwent a significant rebranding which made the Charity much more visible in the community and sought to integrate the Retail, Logistics with our Community Support
- Significant steps were taken in reviewing the restructuring of the loans given to *CHANGING LIVES* and this work has been completed in the 2025-2026 financial period.
- *CHANGING LIVES* welcomed a new Counsellor who is working mainly in Andrew House
- The Reserves position has significantly improved.

Charitable Object

The Charitable Object of *CHANGING LIVES* is "The relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage". The Articles of Association include powers to make grants, donations, or loans to organisations that further the aims of *CHANGING LIVES*. The charity's work ranges throughout North Somerset.

Vision

The *CHANGING LIVES* vision is to bring hope and a future for those who experience life-affecting trauma. We do this by:

- providing high quality workplace training and employment opportunities (through supported volunteer roles) to equip them to assume a fulfilling life in the community
- offering access to a range of therapeutic support including a mentor to facilitate their recovery
- expanding the social enterprise to increase our capacity to meet the growing demand from those in need of help by making available suitable, safe, supported accommodation to those joining the work-based recovery programme who are currently homeless or at risk of becoming homeless
- assistance in obtaining housing in the Private Rental Sector for those currently homeless or at risk of homelessness.

It is understood that many addictive behaviours are a result of chronic trauma in early developmental years. Trauma may take many forms: abuse (of all types), neglect, or loss of a significant person or carer. These experiences result in lasting physiological and psychological damage leading to permanent health, relational, and social disadvantage. *CHANGING LIVES* has reaffirmed its aim to enable those affected to live fulfilling lives and contribute to the well-being of the community.

Mission

Provide an environment where every person whose trauma results in addiction, homelessness, mental health problems and offending behaviour, can find both restoration through compassionate care and hope for the future.

Values

Our values are our guiding principles that underpin all that we do. They are *CHANGING LIVES*'s non-negotiables, part of our DNA and hold the key to honouring and supporting each other.

These values are:

- Every person is unique and has a life that really matters
- Every person is shaped by the compassionate love of God and has a true worth
- We are committed to walking together, sharing hope and trust and building community

The Core Work of *CHANGING LIVES*

Community Support

CHANGING LIVES operates a number of schemes to help restore lives and encourage people back into independent living.

- **Volunteer Plus (V+)** is a workplace programme of volunteering, education, and training combined with supportive therapeutic input and the offer of a mentor to accompany the service-user throughout the programme and beyond. The programme aims to equip the person for independent living, employment, and a fulfilling life. This is a unique programme and offers a holistic approach to trauma-related addictions. The programme continues to develop and adapt to ensure it meets the communities' needs. We are particularly keen to reach women in crisis.
- **Andrew House** is located in Clevedon and provides safe, supported housing for up to 11 men and integrates with V+, offering the benefits of a therapeutic community for those who require a safe place to live and a greater level of support as they recover their ability to manage a tenancy of their own. Accommodation is available for men who currently live in or remotely from Clevedon, have no satisfactory accommodation, or need to escape the damaging social networks to which they currently belong to enable recovery to take firm root. We continue to see residents move on, either back to their families or into independent living. This year, Andrew House operated at around 65% capacity. We continue to receive encouraging reports from residents on the quality of the care and counselling they receive.
- **Housing** is a constant need for *CHANGING LIVES* in North Somerset in the Private Rental Sector (PRS). With the merging of KeySteps, *CHANGING LIVES* now supports around 100 people in PRS property in North Somerset (mainly in Weston-super-Mare). *CHANGING LIVES* continues to find PRS property for clients moving out of Andrew House and for single men and women who are either homeless or at risk of homelessness in the community. *CHANGING LIVES* also provides help for clients when benefits change for clients.

Social Enterprise

CHANGING LIVES's primary trading goal is to re-purpose donated furniture and household goods and for these to be resold through our Retail outlets. *CHANGING LIVES* also has a partnership with Horfield Prison for refreshing furniture.

- **Retail** embraces a number of selling outlets for donated goods. There is a **Shop** and a **Thrift Store** located in the town centre, a **Furniture Warehouse** on the Industrial edge of Clevedon and a **Virtual Shop** (which uses Shopify) operating on the internet which can be accessed through our website www.changinglives.org.uk. *CHANGING LIVES* was rebranded during the year and this new image has a strong visual appeal and manages to encapsulate many of our values. Certain high-value goods are sold through **Clevedon Auction House** who have been kind enough to waive their selling fees.
- **Logistics** - *CHANGING LIVES* operates 3 Luton vans which are based at the Warehouse and are used for providing house clearance services (including bulky waste), collection and delivery of furniture to Customers; operating the Welfare Provision Scheme (WPS) to source and deliver white goods to needy individuals on behalf of North Somerset Council.

Public Awareness

CHANGING LIVES has a strong presence in Clevedon because of the retail outlets; throughout North Somerset, the vans are also very visible. In addition, *CHANGING LIVES* uses the following ways to engage.

- **Internet** – there is a strong presence on the internet using the website and social media. Social media is used to alert the public to new stock, news events and so on.
- **Employment** – *CHANGING LIVES* employed 13 staff on the 30 September 2025. These staff come from all sorts of backgrounds and share an amazing loyalty, pride and commitment to *CHANGING LIVES*. Their skills are why *CHANGING LIVES* is able to look to the future with confidence.
- **Volunteers** are essential to the well-being and sustainability of *CHANGING LIVES*. The Trustees desire to engage with the widest variety of people of goodwill in our community. As they give their time freely, they are rewarded with fulfilment, companionship, and a sense of 'giving back'. Last year, we had registered 42 active volunteers who contributed 260 hours a week to *CHANGING LIVES*.
- **Donations** often accompany the purchase of goods when buyers sign up for Gift Aid on an optional tick box; this contributed about £7,500 in the period.

Financial Review

CHANGING LIVES is pleased to report a surplus in the year ended 30 September 2025 of almost **£48k**. This represents encouraging and sustained progress in recent years. 2023 showed a deficit of £77k. In 2024 that had reduced to £14k. The 2025 result includes a one-off net contribution of around £30k resulting from the merger with the KeySteps charity which was completed at the end of March 2025. The underlying surplus was therefore £18k against a prevailing climate of difficult times in the third sector not least the fact that Employer's National Insurance and the National Minimum Wage had both increased significantly in the second half.

CHANGING LIVES received the following grants during the year:

- £4,000 from **The Burden Trust** during September 2025 for we are most grateful.

It is also worth noting that

- The house was professionally valued in July 2025 and it is worth some £200k more than its book value as expressed in the Fixed Assets of the Balance Sheet
- A new mortgage was obtained just after this year-end which has strengthened the Balance Sheet further (see below)

Post year-end developments

Since the start of the current financial year, there have been a number of positive developments:

1. The refinancing of loans relating to our purchase of Andrew House has been completed. *CHANGING LIVES* has obtained a mortgage of £300k from Charity Bank which was transacted at the end of Oct 2025 and this has enabled *CHANGING LIVES* to repay the balance of the loan that Muller's (£192,508) had made to us and which was due to expire at the end of Sept 2025. We have also taken the opportunity to repay £110k of an existing outstanding loan which was also due by the end of 2025. This has considerably improved our financial standing.
2. Ian Burnham as Interim CEO completed his 3-year tenure in Feb 2026. Ian has been instrumental in delivering cultural change to the organisation; his financial acumen has led to a significant improvement in *CHANGING LIVES*'s financial stability. The Trustees worked through a series of requirements for the profile of the person who should implement the vision of the Trustees in the

future. As a result, Nicola Cook joined *CHANGING LIVES* as a part-time Director of Operations at the beginning of Feb 2026.

3. *CHANGING LIVES* has attracted a number of new grants and donations since the year-end for which the Trustees are particularly grateful.
4. A new Support Worker for Andrew House was appointed in Dec 2025 and this will enable more service-users to be helped with the resultant utilisation of capacity improving. It should be noted that he “graduated” from Andrew House himself a few years ago.
5. From the beginning of Jan 2026, for a trial period of 6 months, a full-time Manager has been appointed to oversee the **Thrift Store** and enable it to open 6 days a week – the performance of this enterprise will be analysed carefully during this time.

Reserves Policy

CHANGING LIVES has adequate equity in the freehold property (net of all outstanding loans) to be comfortably solvent. There are sufficient reserves of cash to meet *CHANGING LIVES*'s day to day commitments.

The Trustees consider that the Charity will continue as a going concern for the foreseeable future and a period of at least 12 months from the date on which these financial statements are approved:

1. The Charity holds free reserves as detailed in the financial statements;
2. Financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves to cover 3 months operational costs;
3. The Trustees will only extend the Charity's programme for its beneficiaries following careful consideration of the financial impact on the Charity.

Expression of thanks

The Trustees wish to express their sincere gratitude for the hard work and extraordinary level of commitment of all the employees, consultants and volunteers who contribute to the health of *CHANGING LIVES*. The Trustees extend this expression of thanks to the partners and those special people who freely give their time and considerable expertise supporting the work of the Trustee Board as advisors. The charity would like to express thanks to local churches for their energy, support and financial commitment. Finally, the Trustees wish to thank the people of North Somerset and beyond, who shop, donate and support the work of *CHANGING LIVES* in so many ways. Without the tireless efforts of everyone involved, *CHANGING LIVES* would not survive, let alone thrive.

Compliance Matters

The financial statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Governing document

CHANGING LIVES is controlled by its Memorandum of Articles dated 30 March 2015.

Public Benefit

The Trustees confirm that they have fulfilled their duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Training for Trustees

The training of Trustees is regularly reviewed to ensure compliance with best practice.

Organisational Structure

CHANGING LIVES is administered by a Management Committee comprising the Trustees, Secretary and Director of Operations. There is provision to co-opt other members onto this.

Management of Risk

The Trustees have a duty to identify and review the risks to which *CHANGING LIVES* is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees meet regularly and are sensitive to the risks which attend all charities (such as the risk of money laundering, and risks to its reputation) and to any special potential risks arising from the Charity's activities.

Safeguarding Policy

The continuing developments of the Charity require a constant review of the Safeguarding Policy; accordingly, we review and amend the policy annually.

Volunteers and Employees

CHANGING LIVES employed 10 full-time staff, 3 part-time staff and had 42 active volunteers as at 30th September 2025.

Approved by the Board of Trustees on:

2nd June 2026

and signed on their behalf by:

.....

Daniel Sibthorpe, Chair of Trustees

Independent Examiner's Report to the Trustees of Changing Lives Charity

I report to the Charity Trustees on my examination of the accounts of the Charitable Company for the year ended 30 September 2025.

Responsibilities and basis of report

As the Charity's Trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns, other than the matter set out below and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Matthew Bracher BSc FCA
Institute of Chartered Accountants in England and Wales
Gravita
Chartered Accountants
2nd Floor, South
One Castle Park
Tower Hill
Bristol
BS2 0JA

Date...2 June 2026.....

CHANGING LIVES CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure Account)
YEAR ENDED 30 SEPTEMBER 2025

		2025	2024
		Unrestricted	Unrestricted
		fund	fund
	<i>Note</i>	£	£
Income and endowments from:			
Donations and legacies	2	84,910	52,461
Charitable activities	2	179,245	199,142
Direct beneficiary sales	2	491,780	453,065
Investments	2	1,550	1,490
Other income - corporation tax refund		-	4,526
		757,485	710,684
Expenditure on			
Charitable activities	3	356,750	387,940
Direct beneficiary cost of sales	3	352,957	336,590
		709,707	724,530
Net income/(expenditure) before tax		47,778	(13,846)
Tax payable		-	-
Net income/(expenditure)		47,778	(13,846)
Total funds brought forward		40,740	54,586
Total funds carried forward		88,518	40,740

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

CHANGING LIVES CHARITY (Registered number: 9517906)
BALANCE SHEET
AS AT 30 SEPTEMBER 2025

		2025 Unrestricted fund £	2024 Total funds £
	<i>Note</i>		
FIXED ASSETS			
Tangible Fixed Assets	9	578,240	534,372
		578,240	534,372
CURRENT ASSETS			
Debtors	10	33,286	22,931
Cash at Bank		129,257	86,840
		162,543	109,771
CREDITORS			
Amounts falling due within one year	11	360,193	339,903
NET CURRENT (LIABILITIES) / ASSETS		(197,650)	(230,132)
TOTAL ASSETS LESS CURRENT LIABILITIES		380,590	304,240
CREDITORS			
Amounts falling due after more than one year	12, 13	292,072	263,500
NET ASSETS		88,518	40,740
FUNDS			
Unrestricted Charitable Funds brought forward 1 October 2024		40,740	54,586
Surplus/(Deficit) for the year		47,778	(13,846)
Unrestricted Charitable Funds at 30 September 2025		88,518	40,740

The Charity is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2025.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2025 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

- (a) ensuring that the charity keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and,
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Charitable Company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Charity.

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 and were signed on its behalf by:

.....
Daniel Sibthorpe

Date: 2nd June 2026

The notes form part of the financial statements.

CHANGING LIVES CHARITY (Registered number: 9517906)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2025**

	<i>Note</i>	2025 £	2024 £
Cash flow from operating activities	15	109,647	20,838
Interest paid		-	-
Net Cash flow from operating activities		109,647	20,838
Cash flow from investing activities			
Dividends, interest and rents from investments		1,550	1,490
Payments to acquire tangible fixed assets		(58,385)	(2,437)
Net cash flow from investing activities		(56,835)	(947)
Cash flow from financing activities			
Loan interest paid		(10,395)	(21,816)
Net cash flow from financing activities		(10,395)	(21,816)
Net increase/decrease in cash and cash equivalents		42,417	(1,925)
Cash and cash equivalents brought forward		86,840	88,765
Cash and cash equivalents carried forward		129,257	86,840
Cash and cash equivalents consist of;			
Cash at bank and in hand		129,257	86,840

The notes form part of the financial statements.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the Charity, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the Charity in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the Charity and are rounded to the nearest £.

Going concern

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The Charity holds free reserves as detailed in the financial statements.
- Financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves.
- The Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.
- The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts.
- Work is in hand to refinance the loans by way of a shared ownership investment model of the house. The Charity remains solvent (on the basis of the most recent valuation of the freehold property) despite the pressures on the monthly results and the repayment of loans. Encouraging progress has been made to deal with both issues and a back-up plan is in place should that be required.

Incoming Resources

Income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, and it is probable that the income will be received and the amount can be measured reliably. Donations and gifts are accounted for when received. Income tax reclaimed in relation to amounts received under gift aid is included in the same period as the income to which it relates.

Resources Expended

All resources expended are accounted for on an accruals basis.

Direct costs are allocated to charitable activities and raising of funds as appropriate. Support costs are apportioned to charitable activities and raising funds in line with the proportional split of income (excluding donations and investment income). Property expenses are apportioned as support costs with the exception of Andrew House costs which are directly allocated to charitable activities.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

1 ACCOUNTING POLICIES - continued

Fund accounting

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Not depreciated
Fixtures & fittings	-	3 years straight line
Motor vehicles	-	5 years straight line

All fixed assets are stated at purchase cost plus incidental expenses of acquisition.

No provision for depreciation has been made for freehold property as it is the view of the Trustees that the estimated residual value of each property is not materially different from the carrying value.

Taxation

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

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the Charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

The Charity has creditors which are measured at settlement amounts.

Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to profit or loss in the period to which they relate.

Donated goods and services

The value of services provided by volunteers is not incorporated into the financial statements.

Where goods or service are provided to the Charity as a donation that would normally be purchased from suppliers, the contributions are included in the financial statements as an estimate based on the value of the contribution.

Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

		2025	2024
2	INCOME	£	£
	Donations and legacies		
	Donations	66,476	24,308
	Other income (Gift Aid)	14,419	13,453
	Grant income	4,015	14,700
	Total donations	84,910	52,461

Donations include £46,151 received from Keysteps following the closure of the charity on 31 March 2025. Keysteps previously provided bonds to landlords to support tenancy agreements for individuals with a poor credit history. With effect from 1 April 2025, the activities of Keysteps were transferred to Changing Lives Charity, and the charity donated all of its net assets and funds to Changing Lives Charity on winding up.

Charitable activities

Rental Income	100,469	110,884
Welfare Provision Scheme	64,729	69,307
Delivery	11,817	11,870
Other	2,230	7,081
Total charitable activities	179,245	199,142

Direct Beneficiary Sales

Sales	300,971	304,105
Auction sales	9,529	5,929
Bulky waste	132,014	101,137
House clearance	49,266	41,894
Total raising funds	491,780	453,065

Investments

Income from investments	1,550	1,490
Total investments	1,550	1,490
Total income	757,485	706,158

Charitable activities to raising funds ratio	27:73	30:70
	671,025	652,207

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

	2025	2024
	£	£
Albert Hunt	-	7,000
Laing Trust	15	2,530
Sport England	-	3,600
The Burden Trust	4,000	-
Westport c/o University of the West of England	-	160
Grants received under £1,000	-	1,410
	4,015	14,700

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

3	COST SUMMARY	2025		2024	
		Charitable activities	Raising funds	Charitable activities	Raising funds
	Direct costs (note 4)	303,442	208,829	329,857	201,062
	Support costs (note 5, restated)	53,308	144,128	58,083	135,528
		356,750	352,957	387,940	336,590

4	DIRECT COSTS	2025	2024
		£	£
	Costs of charitable activities		
	Appliances for Welfare Provision Scheme	47,629	54,968
	Consulting/professional fees	37,301	45,027
	Direct property expenses (see below)	39,176	43,090
	Depreciation - charitable activity	985	985
	V Plus wellness costs	2,652	2,805
	Welfare Provision Scheme installation	5,968	6,644
	Salaries - charitable activity	151,171	150,110
	Employers NI	15,676	23,559
	Pensions costs	2,884	2,669
	Total direct costs attributable to charitable activities	303,442	329,857
	Direct Beneficiary cost of sales		
	Bulky waste disposal	18,057	13,543
	Consulting/professional fees	3,515	11,404
	Depreciation - raising funds	13,532	8,866
	Motor vehicle expenses	18,000	16,122
	Operating lease payments	5,538	7,439
	Rental costs for waste	18,057	13,543
	Repairs & maintenance	899	-
	Salaries - trading employees	128,775	127,872
	Pensions costs - raising funds employees	2,457	2,273
	Total direct costs attributable to beneficiary cost of sales	208,829	201,062
	Total direct costs	512,271	530,919
	DIRECT PROPERTY EXPENSES (Andrew House)		
	Consulting and professional fees	5,850	-
	Insurance	3,683	3,683
	Light, power, heating	10,584	8,114
	Loan interest on property	10,395	21,816
	Repairs & maintenance	3,010	3,556
	Rates	4,728	4,578
	Telephone and Internet	926	1,343
		39,176	43,090

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

		2025	2024
		£	£
5	SUPPORT COSTS		
	Advertising and marketing	23,548	20,752
	Bank fees	2,528	1,199
	Charity admin costs (see note 6)	134,907	144,949
	Claims from Keysteps	2,650	-
	Food & drink	4,071	3,108
	General expenses	8,907	7,350
	IT software and consumables	8,448	8,432
	Printing, stationery and postage	3,833	1,544
	Staff well-being	575	-
	Staff training	757	638
	Subscriptions	624	693
	Telephone and internet	4,802	3,407
	Travel - national	1,786	1,539
		197,436	193,611
	Charitable activities 27% (2024 -30%)	53,308	58,083
	Direct beneficiary cost of sales 73% (2024 -70%)	144,128	135,528
		197,436	193,611

The apportionment of support costs in the prior year has been restated to reflect the respective allocations.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

	2025	2024
	£	£
6 CHARITY ADMINISTRATION COSTS		
Audit & accountancy fees	455	3,266
Salaries	31,105	30,887
Pensions costs	593	549
Employers NI	1,742	2,618
General expenses	990	441
Insurance	7,778	10,660
IT software and consumables	8,448	8,433
Rent	36,172	34,476
Rates	10,843	7,735
Light, power and heating	10,285	23,298
Repairs and maintenance	3,276	10,294
Subscriptions, postage and stationery	4,457	2,237
Telephone and internet	1,909	2,064
Interest on loans	12,141	7,991
Consulting and professional fees	4,713	-
	134,907	144,949
7 STAFF COSTS		
Wages and salaries	311,051	308,869
Social security costs	17,418	26,177
Pension costs	5,935	5,491
	334,404	340,537

The average number of employees during the period was 15 (2024 - 15).

No employees received emoluments in excess of £60,000 in 2025 or 2024.

8 INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration consists of the following:

	2025	2024
	£	£
For independent examination	1,082	1,030
For non-audit work	1,618	1,540
	2,700	2,570

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

9 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
COST	£	£	£	£
As at 30 September 2024	520,934	15,908	20,140	556,982
Additions	-	5,223	53,162	58,385
Disposals	-	-	11,190	- 11,190
As at 30 September 2025	520,934	21,131	62,112	604,177
DEPRECIATION				
As at 30 September 2024	-	7,888	14,722	22,610
Charge	-	2,528	11,989	14,517
Disposals	-	-	(11,190)	(11,190)
As at 30 September 2025	-	10,416	15,521	25,937
NET BOOK VALUE				
As at 30 September 2025	520,934	10,715	46,591	578,240
As at 30 September 2024	520,934	8,020	5,418	534,372

The loan of £193,963 is secured on the freehold property.

10 DEBTORS

	2025 £	2024 £
Trade debtors	7,886	10,093
Other debtors and prepayments	25,400	12,838
	33,286	22,931

11 CREDITORS: Amounts falling due within one year

	2025 £	2024 £
Loans from Trustees and related parties	110,000	110,000
Trade creditors	32,184	17,168
Social security and other taxes	7,566	5,530
Other creditors and accruals	13,314	13,242
Mortgage loan on property repayable under 1 year	192,508	193,963
Vehicle finance loan	4,621	-
	360,193	339,903

Included in other creditors is £2,474 (2024 - £3,059) in relation to pension contributions owing.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

12 CREDITORS: Amounts falling due after more than one year

	2025	2024
	£	£
Loans from Trustees		
Over 5 years	187,500	187,500
Over 1 year, under 5 years	5,000	5,000
Company loan		
Over 5 years	71,000	71,000
Vehicle finance loan	28,572	-
	292,072	263,500

13 SECURED DEBTS

The following secured debts are included within creditors:

	2025	2024
	£	£
Mortgage loan on property	192,508	193,963

14 RELATED PARTY TRANSACTIONS

The Charity has received loans from trustees and related parties as follows;

		2025	2024
		£	£
Management Limited*	Repayable in less than 1 year	110,000	110,000
Terry Mears	Repayable in over 1 year	5,000	5,000
Ray Wilson	Repayable in over 5 years	122,000	122,000
Management Limited*	Repayable in over 5 years	71,000	71,000
Jeff Peacock	Repayable in over 5 years	65,500	65,500
		373,500	373,500

* From Keystone Projects & Management Limited (of which David Tomlinson, a Trustee of Changing Lives Charity until 31 March 2023, is a director and shareholder).

The above concessionary loans are not secured and are interest free.

Between 1 and 5 years	127,000	-
Over 5 years	65,500	-
	192,500	-

During the year, I Burnham, a trustee of the charity was paid consulting fees of £23,525 (2024 - £22,941) in his position as consultant, acting CEO, of the Charity.

Expenses totalling £20 were paid to one trustee for travel during the year ended 30 September 2025 (2024 - £11).

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2025

15 RECONCILIATION OF NET INCOME/ (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net income / (expenditure) for year / period	47,778	(13,846)
Depreciation and impairment of tangible fixed assets	14,517	9,851
Loss on disposal of fixed asset	-	4,703
Income from investments	(1,550)	(1,490)
(Increase) / decrease in debtors	(10,355)	512
Increase / (decrease) in creditors	48,862	(708)
Loan interest paid	10,395	21,816
Net cash flow from operating activities	109,647	20,838

CHANGING LIVES CHARITY

England & Wales - Charity number 1161892

Accounts



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CHANGING LIVES CHARITY

Trustees' Annual Report & Financial

Statements for the year ended

30 September 2024

A Company Limited by Guarantee and a Registered Charity

Company Registration No 9517906

Charity Registration No 1161892



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OFFICERS AND PROFESSIONAL ADVISERS

Company Number 9517906

Charity Number 1161892

Registered Office Unit 2a, Kimberley Road,
Clevedon, North Somerset BS21 6QJ

**Trustees (who are also directors
for the purposes of Company law)**

Daniel Sibthorpe (Chair)
Ian Burnham FCA
Terry Mears - Secretary
Jennifer Schaefer
Catriona Aldwinkle (appointed 23 January 2025)
Martin Knight (appointed 23 January 2025)

Bankers for Changing Lives Charity

CAF Bank Limited, 25 Kings Hill Avenue, Kings
Hill, West Malling, Kent, ME19 4JQ

Lloyds Bank plc. Clevedon Branch

Independent Examiner

Gravita, Chartered Accountants, Bath
House, 6-8 Bath Street, Bristol, BS1 6HL

Other Professional Advisors

Strategic Policy Advice & Support

Rev Stephen Fowler, Mooring, Upper Godney,
Wells, BA5 1RX

IT & Web Solutions

Worthers Ltd, Long Barn, Folly Farm, Tickenham,
Bristol, BS21 6RY

Policy Advisors

Cornerstone Resources Ltd, Trinity House,
Newby Road, Stockport, SK7 5DA



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CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2024.

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 30 September 2024.

The financial statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Charitable Object

The object of the Charity is "the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage". Included in the Articles of Association are the powers to make grants, donations, or loans to organisations which further the aims of Changing Lives Charity. The current range of the Charity is throughout the whole of North Somerset.

Vision

The vision is to serve the needs of a wide range of marginalised men, women, and young adults from a variety of backgrounds who face barriers to employment and a fulfilling, independent life. We do this by: providing high quality workplace training and employment opportunities (by volunteering) to equip them to assume a fulfilling life in the community; offering access to a range of therapeutic support including a mentor, to facilitate their recovery; expanding the Social Enterprise to increase our capacity to meet the growing demand from those in need of help; making available suitable; safe, supported accommodation to those joining the work-based recovery programme who are currently homeless or at risk of becoming homeless.

It is understood that many addictive behaviours are a result of chronic trauma in early developmental years. Trauma may take many forms; abuse (of all types), neglect, or loss of a significant person or carer. These experiences result in lasting physiological and psychological damage leading to permanent health, relational, and social disadvantage. The Charity has reaffirmed its aim to enable those affected to live fulfilling lives and contribute to the wellbeing of the community. These aims are expressed in the Business and Investment Plan, published on 15 November 2021 and updated in 2024.

The plan describes the methods by which the vision will be met and sets out the resources required and the means by which those resources will be garnered. It introduces and describes the programme **Volunteer Plus (V+)**, which is the service provision delivering the care for the Charity's supported volunteers. This service is headed by a manager skilled and experienced in the conditions which the volunteers generally display, and a part-time support worker appointed to assist the development of this enterprising initiative.

Men and women enter the scheme following assessment to ascertain their ability to benefit from the therapeutic service on offer. After significant refurbishment during 2022, residential places at **Andrew House** came on stream in December 2022. These places are restricted to men and limited to 11 at any one time. Non-resident clients, men and women, enjoy access to all the therapy support services and the limit on the potential for growth in their numbers is the availability of trained mentors.

Volunteer Plus (V+) is a workplace programme of volunteering, education and training combined with supportive therapeutic input and the offer of a mentor to accompany the client throughout the programme and beyond. This employability programme is composed of elements that have also been



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shown to facilitate permanent change, personal development, and improved health outcomes. The aim of the programme is to equip the person for independent living, employment, and a fulfilling life. The purpose of a residential component at **Andrew House**, Clevedon, is to provide safe, supported housing for eligible participants of **Volunteer Plus**. It also provides a greater level of support available only within a close community such as **Andrew House** provides. This provision is relevant for those who wish to join the programme who currently live remotely from Clevedon, have no satisfactory accommodation, or need to escape the damaging social networks to which they currently belong to enable recovery to take firm root. We have been pleased to see some of the first of our residents move on; either back to their families or into independent living this year and we are operating at around 80% capacity.

Mission

Piloted in the Summer of 2019 the **V+ programme** saw the introduction of this workplace, education, training, and employment (volunteering) programme, based in the Charity's hub in Kimberley Road, Clevedon. This is a unique programme and offers a holistic approach to trauma related addictions. The programme will be maintained and developed to ensure greater reach into the community.

Andrew House forms an important part of the developing ministry programme, and integrates with V+, offering the benefits of a therapeutic community for those who require safe place to live and a greater level of support as they recover their ability to manage a tenancy of their own. During the year the house gradually filled, and we can report a number of good outcomes and relatively few relapses. We continue to receive encouraging testimony from residents on the quality of the care and counselling they receive.

The Community Hub is a fresh vision and inspiration arising from work by Trustees, aided by professional support. This has resulted in adopting, as a key element of its vision, the concept of a 'Community Hub' defined as follows: "An inspirational destination space with retail space, community cafe, workshop / learning space and a productive walled garden. Through the development of the Community Hub, Changing Lives Charity would become a unique project leading the way in transformative healing programmes". The property occupied by the Charity in Kimberley Road, Clevedon, had been under consideration as the means of accommodating and hosting the Community Hub. However, its limitations have been recognized and alternatives have been considered during the year, with no success in finding a suitable alternative in Clevedon.

Business & Investment Plan (BIP) Following a period of strategic review, the Trustees saw the need to draw together the aspirations of the Charity (vision, mission, and values) and the financial requirement needed to fulfil these aims.

The BIP was published in 2021 and covered a 3 year period to 2024 and this has been updated to cover the next 3 years. The BIP introduced the detailed proposals for the **Volunteer PlusV+** programme, incorporating **Andrew House**, fundraising, and staffing requirements, and the delivery of the therapeutic and other components of support for the clients, hosted by the **Social Enterprise** of the Charity. In March 2023 a fundraising company was re-appointed. The agreement was reviewed in April 2024 and although the funds raised were twice the cost of raising those funds, this has not been renewed.

The purpose of the **Social Enterprise**, which takes the form of charity shops and the furniture warehouse, is to perform the hosting function for the work-based recovery programme, **Volunteer PlusV+**. The managers, members of staff and volunteers drawn from the wider community all play their part in supporting the V+ participants with the aim of providing realistic workplace experience to help them become 'work-ready'. The core of the Charity's primary purpose trading is focused on the sale of donated furniture and household goods. The Charity's beneficiaries are engaged in undertaking many of the activities in the **Social Enterprise** guided and encouraged by employees of the Charity in key roles. The performance of the **Social Enterprise** has improved significantly during the year, with encouraging results. Concern regarding the public perception of the Charity led to a



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review of how the Charity is presented through stationery, van lettering, literature etc. Quotations were invited for rebranding. In September 2023 the contract for this was awarded to Amperative and was rolled out during 2024.

Fiscal Diligence

All expenditure during the period 2023-2024 was for the public benefit in accordance with the Object of the Charity. A scheme for delegation of financial control had been agreed in September 2022.

Resources

The churches and the wider community in Clevedon and the surrounding area continue to be a significant contributor to the Charity, in terms of both financial and practical support. The charity has met its financial responsibilities as they have fallen due, although the agreement to repay loans has been extended with the lenders consent. Opportunities for attracting financial support through the use of web-based tools and social media have been exploited, and Total Giving provides an easy means of donating to the Charity.

Structure Governance & Administration

The Charity is governed by its Memorandum and Articles of Association, signed by all formation Trustees on 16 March 2015. The Charity is a Company limited by guarantee without shares incorporated on 30 March 2015. The Trustees are determined to ensure good practice is followed and are aware of their obligation to abide by Charity and other relevant law including the reporting of adverse incidents occurring in the life of the Charity to the relevant authorities, as necessary.

Trustees

There were no changes in Trustee membership during the year.

Appointment of a Chief Executive

Having established the Business and Investment Plan (BIP) as the guiding document for the Charity and its Managers, the Trustees turned their attention to the need for a senior manager to whom they could hand the many administrative and managerial tasks they had been carrying since the Charity was registered in 2015. The Chief Executive who was appointed in May 2022 left the Charity in December that year. As permitted under the Charity's governing document, one of the Trustees, was appointed as Interim Chief Executive on a 60% FTE arrangement pro temps.

Safeguarding Policy

The developments of the ministry of the Charity resulted in the need to review and revise the Safeguarding Policy, accordingly a professionally written policy was commissioned. This policy was approved by the Trustees in July 2023 and is reviewed annually.

Public Benefit

The Trustees confirm that they have fulfilled their duty to have due regard to compliance with the guidance on public benefit rules.

Training for Trustees.

The training of Trustees is regularly reviewed to ensure compliance with best practice.

Volunteers

Volunteers are essential to the wellbeing and sustainability of the Charity. The Trustees' desire is to engage with the widest variety of people of goodwill in our community and to help them serve each other by this means whilst meeting their own needs for fulfilment, companionship, and a sense of 'giving-back'. The details of the Charity's 34 volunteers who support the work are recorded in the Volunteers' Register. Opportunities for volunteers are many and varied including for those within the **Volunteer Plus** scheme, described above. At the year-end there were 5 clients in the **Volunteer Plus** (V+) programme.



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Financial Review

The Charity receives income from several sources. Funds are raised from our shops and warehouse. These facilities also provide volunteering opportunities for people we are supporting.

We also partner with North Somerset Council to manage their:

- Welfare Provision Scheme (a scheme to provide white goods to households nominated by NSC – the Charity administers, sources and supplies goods).
- A Bulky Waste service (for the disposal of larger items which can't be handled in the regular collections) and
- A new service aimed at repurposing items that would otherwise go to landfill.

Enhanced housing benefit covers the direct costs of operating **Andrew House**. We are in receipt of some grant income and the local church community continue to support us financially, for which we are enormously grateful. The counselling support we provide, and our V+ programme, do not receive external funding.

The deficit that we recorded in 2023 has almost been eliminated and the half year management accounts to end March 2025 are showing a surplus. We are seeking ways to broaden our V+ programme. The residential element has delivered real success in the year and our focus in the current period is to ensure the work is sustainable into the future.

The forecasts, that were prepared at the time of the restructure in 2021 indicated a modest surplus would be achieved in the year recently ended. It has been encouraging that the difficult decisions that were taken have led to sustained improvement in the results of our activities and the consequent survival of the Charity. The Trustees are pleased to be able to commend the staff for their willing involvement in this success.

As the scope of the Charity's ministry has grown, we have been in the process of a transition from an organisation mainly led and managed by the Trustees, to one where a paid executive is leading the day-to-day work. As noted above, ministry leads were appointed to direct the V+ and the community (**Andrew House**) elements of the work. These are additional to the other senior roles managing our commercial enterprises. These are overseen by a part time CEO on an interim basis

Loans were made by several trustees or their associated trusts. These enabled the Charity to buy **Andrew House** with the assistance of a mortgage from the previous owners. The loan from the previous owners of **Andrew House** is expected to be replaced by a commercial mortgage in advance of the scheduled repayment due in September 2025. Incoming resources of £710,684 (2023 - £643,684) were received in the year with the main source of income being funds raised from the sale of donated goods and the sale of bulky waste. Expenditure of £724,530 (2023 - £717,344) reflected costs of charitable activities of £387,940 (2023 - £378,638) and costs of raising funds of £336,590 (2023 - £338,706). The net result in the year to 30 September 2024 was net expenditure of £13,846 (2023 – net expenditure of £74,715).

Management of Risk

The Trustees meet regularly and are sensitive to the risks which attend all charities (such as the risk of money laundering, and risks to its reputation), and to any special potential risks arising from the Charity's activities. During the year the Trustees continued to maintain a Risk Register, Bulletins are regularly received from various sources which alert them to new risks or to new legislation which could require them to perform in ways of which otherwise they would be ignorant. Reference is made to the Charity Commission's Web pages for advice as required. The appointment of a full-time manager for the V+ programme has assisted in exercising vigilance over the welfare of clients.

The main risks that fall to Changing Lives Charity are risks to the client group, financial risks, e.g. the **Social Enterprise** and future operation of **Andrew House**, the income and expenditure of the Charity,



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and risks relating to property ownership. The short to medium-term risks around the balancing of the month-to-month income and expenditure and the repayment / refinance of the debt that the Charity has taken on are under constant review, and form part of the Business and Investment Plan referred to earlier in this report.

Reserves Policy

Our Reserves policy is the subject of review. The Charity has adequate equity in the freehold property (net of all outstanding loans) to be comfortably solvent. It has sufficient reserves of cash to comfortably meet its day to day commitments. The costs associated with an unplanned winding up of the charity are covered by cash.

The Trustees consider that the Charity will continue as a going concern for the foreseeable future and a period of at least 12 months from the date on which these financial statements are approved:

1. The Charity holds free reserves as detailed in the financial statements;
2. Financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves;
3. The Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.

The Trustees therefore consider it appropriate to adopt the going concern basis for preparation of the accounts, as detailed in note 1 to the financial statements.; Work is in hand to refinance the loans by way of a commercial mortgage. The Charity remains solvent (on the basis of the most recent valuation of the freehold property) and the pressure on the monthly results has reduced significantly over the last eighteen months.

Future Plans

The ministry of the Charity has never been in better shape. Its finances have improved significantly. Successful partnerships have been developed with North Somerset Council, Our Fundraising efforts are focused on raising additional income to balance the books and sustain our ministry. The sustained support of the local Christian community has brought enormous blessing to the Charity.

Expression of thanks

The Trustees wish to express their sincere gratitude for the hard work and extraordinary level of commitment of all the employees, consultants and volunteers of the Charity. The Trustees extend this expression of thanks to its partners and those special people who freely give their time and considerable expertise supporting the work of the Trustee Board as advisers. Finally, the Trustees wish to thank the courses people of goodwill in North Somerset and beyond, who shop, donate and support the work of Changing Lives Charity in so many ways. Without the tireless efforts of everyone involved the Charity would not survive, let alone thrive. As a Christian Charity, the Trustees also publicly acknowledge the providence of our Heavenly Father who, often through the Charity's stakeholders, provides for our every need.

Events of note post 30th September 2024

Keysteps is a charity based in Weston super Mare. It was established to provide bonds to landlords to underwrite tenancy agreements to people with poor credit history. The trustees had concluded that the work needed to be merged with another charity to guarantee its long-term future. CLC was approached during 2024 as a potential partner because of the obvious synergy involved. Discussions took place over a number of months and following a successful Due Diligence process the merger was completed on 1st April 2025.

Two new trustees were appointed at the beginning of 2025. Martin Knight (formerly a trustee of Keysteps) has joined the board as has Catriona Aldwinckle who has a real interest in the ministry of CLC and has now retired from a career at a senior level in the MOD. Former Trustees continue to be involved in a variety of ways supporting the work.



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Independent Examiner's Report to the Trustees of Changing Lives Charity

I report to the Charity Trustees on my examination of the accounts of the Charitable Company for the year ended 30 September 2024.

Responsibilities and basis of report

As the Charity's Trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns, other than the matter set out below and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Matter of concern identified

The matter that has come to my attention is that the Charity relies on the support of another charity to finance its operations by providing a loan of £193,963 secured on the property, Andrew House, owned by the Charity. While the lender has extended the loan to 30 September 2025, this is within 12 months of approval of the financial statements and financing beyond this date is uncertain, indicating a risk that the amount due to the lender may be called in.

This means that there is significant uncertainty as to the Charity's ability to continue as a going concern without refinancing of the loan or the sale of the property. The Trustees are confident that alternative sources of funding will be secured. On this basis, the trustees have concluded that it remains appropriate to prepare the charity's accounts on a going concern basis.



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Approved by the Board of Trustees on:

and signed on their behalf by:

~~Dr J Schaefer~~

Date

Daniel Sibthorpe
Trustee (Chair)

13th June 2025



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Independent Examiner's Report to the Trustees of Changing Lives Charity (continued)

Matthew Bracher

Matthew Bracher BSc FCA
Institute of Chartered Accountants in England and Wales
Gravita
Chartered Accountants
Bath House
6-8 Bath Street
Bristol
BS1 6HL

13th June 2025

Date

CHANGING LIVES CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating Income and Expenditure Account)
YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
		Unrestricted	Unrestricted
		fund	fund
		£	£
	Note		(restated)
Income and endowments from:			
Donations and legacies	2	52,461	66,732
Charitable activities	2	199,142	154,545
Raising funds	2	453,065	420,703
Investments	2	1,490	1,393
Other income - corporation tax refund		4,526	-
		<u>710,684</u>	<u>643,373</u>
Expenditure on			
Charitable activities	3	387,940	378,638
Raising funds	3	336,590	338,706
		<u>724,530</u>	<u>717,344</u>
Net income/(expenditure) before tax		(13,846)	(73,971)
Tax payable		-	744
Net income/(expenditure)		(13,846)	(74,715)
Total funds brought forward		54,586	129,301
Total funds carried forward		40,740	54,586

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

CHANGING LIVES CHARITY (Registered number: 9517906)**BALANCE SHEET****AS AT 30 SEPTEMBER 2024**

		2024	2023
		Unrestricted fund	Total funds
	Note	£	£
FIXED ASSETS			
Tangible Fixed Assets	9	534,372	546,489
		<u>534,372</u>	<u>546,489</u>
CURRENT ASSETS			
Debtors	10	22,931	23,443
Cash at Bank		86,840	88,765
		<u>109,771</u>	<u>112,208</u>
CREDITORS			
Amounts falling due within one year	11	339,903	462,611
NET CURRENT (LIABILITIES) / ASSETS		<u>(230,132)</u>	<u>(350,403)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>304,240</u>	<u>196,086</u>
CREDITORS			
Amounts falling due after more than one year	12, 13	263,500	141,500
NET ASSETS		<u>40,740</u>	<u>54,586</u>
FUNDS			
Unrestricted Charitable Funds brought forward 1 October 2023		54,586	129,301
Surplus/(Deficit) for the year		(13,846)	(74,715)
Unrestricted Charitable Funds at 30 September 2024		<u>40,740</u>	<u>54,586</u>

The Charity is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2024.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2024 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

(a) ensuring that the charity keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and,

(b) preparing financial statements which give a true and fair view of the state of affairs of the Charitable Company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Charity.

CHANGING LIVES CHARITY (Registered number: 9517906)

BALANCE SHEET

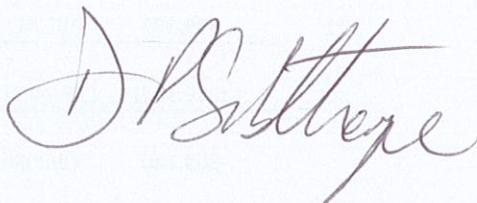
AS AT 30 SEPTEMBER 2024

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 and were signed on its behalf by:

~~I Burnham~~

date



Daniel Sibthorpe
Trustee. (Chair)

13th June 2025

CHANGING LIVES CHARITY (Registered number: 9517906)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	<i>Note</i>	2024	2023
		£	£
Cash flow from operating activities	15	20,838	(45,836)
Interest paid		-	-
Net Cash flow from operating activities		20,838	(45,836)
Cash flow from investing activities			
Dividends, interest and rents from investments		1,490	1,393
Payments to acquire tangible fixed assets		(2,437)	(4,590)
Net cash flow from investing activities		(947)	(3,197)
Cash flow from financing activities			
Loan interest paid		(21,816)	(23,761)
Net cash flow from financing activities		(21,816)	(23,761)
Net increase/decrease in cash and cash equivalents		(1,925)	(72,794)
Cash and cash equivalents brought forward		88,765	161,559
Cash and cash equivalents carried forward		86,840	88,765
Cash and cash equivalents consist of;			
Cash at bank and in hand		86,840	88,765

The notes form part of the financial statements.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the Charity, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the Charity in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the Charity and are rounded to the nearest £.

Going concern

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The Charity holds free reserves as detailed in the financial statements.
- Financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves.
- The Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.
- The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts.
- Work is in hand to refinance the loans by way of a shared ownership investment model of the house. The Charity remains solvent (on the basis of the most recent valuation of the freehold property) despite the pressures on the monthly results and the repayment of loans. Encouraging progress has been made to deal with both issues and a back-up plan is in place should that be required.

Incoming Resources

Income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, and it is probable that the income will be received and the amount can be measured reliably. Donations and gifts are accounted for when received. Income tax reclaimed in relation to amounts received under gift aid is included in the same period as the income to which it relates.

Resources Expended

All resources expended are accounted for on an accruals basis.

Direct costs are allocated to charitable activities and raising of funds as appropriate. Support costs are apportioned to charitable activities and raising funds in line with the proportional split of income (excluding donations and investment income). Property expenses are apportioned as support costs with the exception of Andrew House costs which are directly allocated to charitable activities.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

1 ACCOUNTING POLICIES - continued

Fund accounting

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Not depreciated
Fixtures & fittings	-	3 years straight line
Motor vehicles	-	5 years straight line

All fixed assets are stated at purchase cost plus incidental expenses of acquisition.

No provision for depreciation has been made for freehold property as it is the view of the Trustees that the estimated residual value of each property is not materially different from the carrying value.

Taxation

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

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the Charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

The Charity has creditors which are measured at settlement amounts.

Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to profit or loss in the period to which they relate.

Donated goods and services

The value of services provided by volunteers is not incorporated into the financial statements.

Where goods or service are provided to the Charity as a donation that would normally be purchased from suppliers, the contributions are included in the financial statements as an estimate based on the value of the contribution.

Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

2	INCOME	2024	2023
		£	£
	Donations and legacies		
	Donations	24,308	10,607
	Other income (Gift Aid)	13,453	7,453
	Grant income	14,700	48,672
	Total donations	<u>52,461</u>	<u>66,732</u>
	Charitable activities		
	Rental Income	110,884	74,576
	Welfare Provision Scheme	69,307	65,283
	Delivery	11,870	12,227
	Other	7,081	2,459
	Total charitable activities	<u>199,142</u>	<u>154,545</u>
	Raising funds		
	Sales	304,105	294,733
	Auction sales	5,929	5,260
	Bulky waste	101,137	86,196
	House clearance	41,894	34,514
	Total raising funds	<u>453,065</u>	<u>420,703</u>
	Investments		
	Income from investments	1,490	1,393
	Total investments	<u>1,490</u>	<u>1,393</u>
	Total income	<u>706,158</u>	<u>643,373</u>
	 Charitable activities to raising funds ratio	 30:70 652,207	 27:73 575,248

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

	2024	2023
	£	£
Albert Hunt	7,000	-
Laing Trust	2,530	-
Sport England	3,600	-
Bupa Foundation	-	5,000
St Andrews Clevedon	-	1,500
JA Settlement	-	1,000
Garfield Weston	-	30,000
Westport c/o University of the West of England	160	7,172
Grants received under £1,000	1,410	1,000
	<u>14,700</u>	<u>45,672</u>

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

3 COST SUMMARY

	2024		2023	
	Charitable activities	Raising funds	Charitable activities	Raising funds
			(restated)	(restated)
Direct costs (note 4)	329,857	201,062	326,652	198,150
Support costs (note 5, restated)	58,083	135,528	51,986	140,556
	387,940	336,590	378,638	338,706

4 DIRECT COSTS

	2024	2023
	£	£
Costs of charitable activities		
Appliances for Welfare Provision Scheme	54,968	53,638
Welfare Provision Scheme installation	6,644	5,145
Consulting/professional fees	45,027	32,296
Charitable donations	-	107
V Plus wellness costs	2,805	5,214
Direct property expenses (see below)	43,090	41,555
Depreciation - charitable activity	985	986
Salaries - charitable activity	150,110	162,602
Employers NI	23,559	22,884
Pensions costs	2,669	2,225
Total direct costs attributable to charitable activities	329,857	326,652
Costs of raising funds		
Bulky waste disposal	13,543	8,392
Rental costs for waste	13,543	8,393
Motor vehicle expenses	16,122	15,722
Operating lease payments	7,439	8,293
Salaries - trading employees	127,872	136,540
Pensions costs - raising funds employees	2,273	1,940
Consulting/professional fees	11,404	10,000
Depreciation - raising funds	8,866	8,870
Total direct costs attributable to raising funds	201,062	198,150
Total direct costs	530,919	524,802
DIRECT PROPERTY EXPENSES (Andrew House)		
Insurance	3,683	3,812
Light, power, heating	8,114	3,812
Legal expenses	-	10
Rates	4,578	4,998
Telephone and Internet	1,343	1,523
Loan interest on property	21,816	23,761
Repairs & maintenance	3,556	3,639
	43,090	41,555

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

		2024	2023
		£	£
5	SUPPORT COSTS		
	Advertising and marketing	20,752	15,800
	Bank fees	1,199	1,636
	Charity admin costs (see note 6)	144,949	141,641
	Food & drink	3,108	2,836
	General expenses	7,350	15,361
	IT software and consumables	8,432	5,162
	Printing, stationery and postage	1,544	1,352
	Staff training	638	2,105
	Subscriptions	693	463
	Telephone and internet	3,407	3,024
	Travel - national	1,539	3,162
		<u>193,611</u>	<u>192,542</u>
			(restated)
	Charitable activities 30% (2023 -27%)	58,083	51,986
	Raising funds 70% (2023 -73%)	135,528	140,556
		<u>193,611</u>	<u>192,542</u>

The apportionment of support costs in the prior year has been restated to reflect the respective allocations.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

	2024	2023
	£	£
6 CHARITY ADMINISTRATION COSTS		
Audit & accountancy fees	3,266	4,139
Salaries	30,887	33,238
Pensions costs	549	463
Employers NI	2,618	2,543
General expenses	441	1,703
Insurance	10,660	10,646
IT software and consumables	8,433	5,162
Rent	34,476	33,293
Rates	7,735	4,946
Light, power and heating	23,298	22,148
Repairs and maintenance	10,294	20,041
Subscriptions, postage and stationery	2,237	1,815
Telephone and internet	2,064	1,501
Interest on loans	7,991	3
	<u>144,949</u>	<u>141,641</u>
7 STAFF COSTS		
Wages and salaries	308,869	332,380
Social security costs	26,177	25,427
Pension costs	5,491	4,628
	<u>340,537</u>	<u>362,435</u>

The average number of employees during the period was 15 (2023 - 15).

No employees received emoluments in excess of £60,000 in 2024 or 2023.

During the year, I Burnham, a director of the charity was paid consulting fees of £22,941 (2023 - £11,189) in his position as consultant, acting CEO, of the Charity.

8 INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration consists of the following:

	2024	2023
	£	£
For independent examination	1,030	984
For non-audit work	1,540	1,466
	<u>2,570</u>	<u>2,450</u>

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

9 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
COST	£	£	£	£
As at 30 September 2023	520,934	17,099	31,407	569,440
Additions	-	2,437	-	2,437
Disposals	-	(3,628)	(11,267)	(14,895)
As at 30 September 2024	520,934	15,908	20,140	556,982
DEPRECIATION				
As at 30 September 2023	-	5,003	17,948	22,951
Charge	-	2,885	6,966	9,851
Disposals	-	-	(10,192)	(10,192)
As at 30 September 2024	-	7,888	14,722	22,610
NET BOOK VALUE				
As at 30 September 2024	520,934	8,020	5,418	534,372
As at 30 September 2023	520,934	12,096	13,459	546,489

The loan of £193,963 is secured on the freehold property.

10 DEBTORS

	2024	2023
	£	£
Trade debtors	10,093	11,480
Corporation tax reclaim	-	-
Other debtors and prepayments	12,838	11,963
	22,931	23,443

11 CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Loans from Trustees and related parties	110,000	110,000
Trade creditors	17,168	15,289
Tax	-	-
Social security and other taxes	5,530	5,918
Other creditors and accruals	13,242	9,353
Mortgage loan on property repayable under 1 year	193,963	322,000
Van loans	-	51
	339,903	462,611

Included in other creditors is £3,059 (2023 - £2,965) in relation to pension contributions owing.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

12 CREDITORS: Amounts falling due after more than one year

	2024	2023
	£	£
Loans from Trustees		
Over 5 years	187,500	65,500
Over 1 year, under 5 years	5,000	5,000
Company loan		
Over 5 years	71,000	71,000
Mortgage loan on property repayable under 5 years	-	-
	<u>263,500</u>	<u>141,500</u>

13 SECURED DEBTS

The following secured debts are included within creditors:

	2024	2023
	£	£
Mortgage loan on property	<u>193,963</u>	<u>322,000</u>

14 RELATED PARTY TRANSACTIONS

The Charity has received loans from trustees and related parties as follows;

		2024	2023
		£	£
Management Limited*	Repayable in less than 1 year	110,000	110,000
Terry Mears	Repayable in over 1 year	5,000	5,000
Ray Wilson	Repayable in over 5 years	122,000	-
Management Limited*	Repayable in over 5 years	71,000	71,000
Jeff Peacock	Repayable in over 5 years	65,500	65,500
		<u>373,500</u>	<u>251,500</u>

* From Keystone Projects & Management Limited (of which David Tomlinson, a Trustee of Changing Lives Charity until 31 March 2023, is a director and shareholder).

The above concessionary loans are not secured and are interest free.

Between 1 and 5 years	127,000	5,000
Over 5 years	65,500	65,500
	<u>192,500</u>	<u>70,500</u>

Expenses totalling £11 were paid to one trustee for travel during the year ended 30 September 2024 (2023 - £43).

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2024

15 RECONCILIATION OF NET INCOME/ (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net income / (expenditure) for year / period	(13,846)	(74,715)
Depreciation and impairment of tangible fixed assets	9,851	9,856
Loss on disposal of fixed asset	4,703	-
Income from investments	(1,490)	(1,393)
(Increase) / decrease in debtors	512	(8,322)
Increase / (decrease) in creditors	(708)	4,977
Loan interest paid	21,816	23,761
Net cash flow from operating activities	20,838	(45,836)

CHANGING LIVES CHARITY

England & Wales - Charity number 1161892

Accounts



... giving hope and a future

CHANGING LIVES CHARITY

Trustees' Annual Report & Financial

Statements for the year ended

30 September 2023

A Company Limited by Guarantee and a Registered Charity

Company Registration No 9517906

Charity Registration No 1161892



... giving hope and a future

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... giving hope and a future

OFFICERS AND PROFESSIONAL ADVISERS

Company Number 9517906

Charity Number 1161892

Registered Office Unit 2a, Kimberley Road,
Clevedon, North Somerset BS21 6QJ

**Trustees (who are also directors
for the purposes of Company law)**

Ian Burnham FCA
Chris Hibbs (until 30 June 2023)
Terry Mears - Secretary) resigned
as director 31 October 2022)
Jennifer Schaefer
Daniel Sibthorpe (Chair)
David Tomlinson (until 31 March
2023)

Bankers for Changing Lives Charity

CAF Bank Limited, 25 Kings Hill Avenue, Kings
Hill, West Malling, Kent, ME19 4JQ

Lloyds Bank plc. Clevedon Branch

Independent Examiner

Haines Watts, Chartered Accountants, Bath
House, 6-8 Bath Street, Bristol, BS1 6HL

Other Professional Advisors

Strategic Policy Advice & Support

Rev Stephen Fowler, Mooring, Upper Godney,
Wells, BA5 1RX

IT & Web Solutions

Worthers Ltd, Long Barn, Folly Farm, Tickenham,
Bristol, BS21 6RY

Policy Advisors

Cornerstone Resources Ltd, Trinity House,
Newby Road, Stockport, SK7 5DA



... giving hope and a future

CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2023

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 30 September 2023.

The financial statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Charitable Object

The object of the Charity is "the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage". Included in the Articles of Association are the powers to make grants, donations, or loans to organisations which further the aims of Changing Lives Charity. The current range of the Charity is throughout the whole of North Somerset.

Vision

The vision is to serve the needs of a wide range of marginalised men, women, and young adults from a variety of backgrounds who face barriers to employment and a fulfilling, independent life. We shall do this by:

- providing high quality, workplace training and employment opportunities (by volunteering) to equip them to assume a fulfilling life in the community.
- offering access to a range of therapeutic support including a mentor, to facilitate their recovery.
- expanding the social enterprise to increase our capacity to meet the growing demand from those in need of help.
- making available suitable, safe, supported accommodation to those joining the work-based recovery programme who are currently homeless or at risk of becoming homeless.

It is understood that many addictive behaviours are a result of chronic trauma in early developmental years. Trauma may take many forms; abuse (of all types), neglect, or loss of a significant person or carer.

These experiences result in lasting physiological and psychological damage leading to permanent health, relational, and social disadvantage. The Charity has reaffirmed its aim to enable those affected to live fulfilling lives and contribute to the wellbeing of the community.

These aims are expressed in the **Business and Investment Plan**, published on 15 November 2021. The plan describes the methods by which the aims will be met and sets out the resources required and the means by which those resources will be garnered. It introduces and describes the programme **Volunteer Plus**, which is the service provision delivering the care for the Charity's supported volunteers. This service is headed by a manager skilled and experienced in the conditions which the volunteers generally display, and a part-time manager appointed to drive the development of this enterprising initiative. Men and women enter the scheme following assessment to ascertain their ability to benefit from the therapeutic service on offer. After significant refurbishment during 2022, residential places at Andrew House came on stream in December 2022. These places are restricted to men and limited to 11 at any one time. Non-resident clients, men and women, enjoy access to all the therapy support services and the limit on the potential for growth in their numbers is the availability of trained mentors.



... giving hope and a future

Volunteer Plus is a workplace programme of volunteering, education and training combined with supportive therapeutic input and the offer of a mentor to accompany the client throughout the programme and beyond. This employability programme is composed of elements that have also been shown to facilitate permanent change, personal development, and improved health outcomes. The aim of the programme is to equip the person for independent living, employment, and a fulfilling life.

The purpose of a residential component at Andrew House, Clevedon, is to provide safe, supported housing for eligible participants of Volunteer Plus. It also provides a greater level of support available only within a close community such as the House can provide.

This provision is relevant for those who wish to join the programme who currently live remotely from Clevedon, have no satisfactory accommodation, or need to escape the damaging social networks to which they currently belong to enable recovery to take firm root.

We have been pleased to see some of the first of our residents move on – either back to their families or into independent living this year and are operating at near 100% capacity.

Mission

Volunteer Plus (V+)

Piloted in the Summer of 2019 the Volunteer Plus programme saw the introduction of this workplace, education, training, and employment (volunteering) programme, based in the Charity's hub in Kimberley Road, Clevedon.

This is a unique programme and offers a holistic approach to trauma related addictions. The programme will be maintained and developed to ensure greater reach into the community.

Andrew House

Andrew House forms an important part of the developing ministry programme, and integrates with V+, offering the benefits of a therapeutic community for those who require safe place to live and a greater level of support as they recover their ability to manage a tenancy of their own.

During the year the house gradually filled, and we can report a number of good outcomes and relatively few relapses. We continue to receive encouraging testimony from residents on the quality of the care and counselling they receive.

Community Hub

The fresh vision and inspiration arising from work by Trustees, aided by professional support, resulted in adopting, as a key element of its vision, the concept of a 'Community Hub' defined as follows:

"An inspirational destination space with retail space, community café, workshop / learning space and a productive walled garden. Through the development of the Community Hub, Changing Lives Charity would become a unique project leading the way in transformative healing programmes."

The property occupied by the Charity in Kimberley Road, Clevedon, had been under consideration as the means of accommodating and hosting the Community Hub. However, its limitations have been recognized, and alternatives have been considered during the year, with no success in finding a suitable alternative in Clevedon.

Business & Investment Plan (BIP)

Following a period of strategic review, the Trustees saw the need to draw together the aspirations of the Charity (vision, mission, and values) and the financial requirement needed to fulfil these aims.



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The BIP which was published in 2021 covered a 3 year period to 2024 and is currently being updated. It will be published in the summer of 2024 and will cover the next 3 years. Plan introduced the detailed proposals for the Volunteer Plus programme, incorporating Andrew House, fundraising, and staffing requirements, and the delivery of the therapeutic and other components of support for the clients, hosted by the social enterprise of the Charity.

In March 2023 a fundraising company was re-appointed. The agreement was reviewed in April 2024 and although the funds raised were twice the cost of raising those funds, it was mutually agreed to take a 3 month break to allow time for an updated web site and the roll out of a rebranding exercise to support the fundraising initiative.

Social Enterprise

The purpose of the Social Enterprise is to perform the hosting function for the work-based recovery programme, Volunteer Plus. The managers, members of staff and volunteers drawn from the wider community all play their part in supporting the V+ participants with the aim of providing realistic workplace experience to help them become 'work-ready'.

The core of the Charity's primary purpose trading is focused on the sale of donated furniture and household goods. The Charity's beneficiaries are engaged in undertaking many of the activities in the social enterprise guided and encouraged by employees of the Charity in key roles.

The performance of the Social Enterprise has improved during the year, with encouraging results. Concern regarding the public perception of the Charity led to a review of how the Charity is presented through stationery, van lettering, literature etc. Quotations were invited for rebranding. In September the contract for this was awarded to Amperative and is to be rolled out in the second quarter of 2024.

Fiscal diligence

All expenditure during the period 2022-2023 was for the public benefit in accordance with the Object of the Charity. A scheme of delegation for financial control had been agreed in September 2022.

Resources

The churches and the wider community in Clevedon and the surrounding area continue to be a significant contributor to the Charity, in terms of both financial and practical support. The charity has met its financial responsibilities as they have fallen due, although the agreement to repay loans has been extended with the lenders consent.

Opportunities for attracting financial support through the use of web-based tools and social media have been exploited, and Total Giving provides an easy means of donating to the Charity.

Structure, Governance & Administration

The Charity is governed by its Memorandum and Articles of Association, signed by all formation Trustees on 16 March 2015. The Charity is a Company limited by guarantee without shares incorporated on 30 March 2015.

The Trustees are determined to ensure good practice is followed and are aware of their obligation to abide by Charity and other relevant law including the reporting of adverse incidents occurring in the life of the Charity to the relevant authorities, as necessary.

Trustees

Changes in Trustee membership occurred during the year, as follows:

David Tomlinson and Chris Hibbs who were founding Trustees of the Charity retired during the year. The Charity was hugely blessed by their contribution. Discussions are ongoing with a number of potential new Trustees to strengthen the board. Former Trustees continue to be involved in a variety of ways supporting the work.



... giving hope and a future

Appointment of a Chief Executive

Having established the Business and Investment Plan as the guiding document for the Charity and its Managers, the Trustees turned their attention to the need for a senior manager to whom they could hand the many administrative and managerial tasks they had been carrying since the Charity was registered in 2015. The Chief Executive who was appointed in May 2022 left the Charity in December that year. As permitted under the Charity's governing document, one of the Trustees, has been appointed as Interim Chief Executive on a 60% FTE arrangement pro temps.

Safeguarding Policy

The developments of the ministry of the Charity resulted in the need to review and revise the Safeguarding Policy, accordingly a professionally written policy was commissioned. This policy was approved by the Trustees in July 2023 and is reviewed annually.

Public Benefit

The Trustees confirm that they have fulfilled their duty to have due regard to compliance with the guidance on public benefit rules.

Training for Trustees

The training of Trustees is regularly reviewed to ensure compliance with best practice.

Volunteers

Volunteers are essential to the wellbeing and sustainability of the Charity. The Trustees' desire is to engage with the widest variety of people of goodwill in our community and to help them serve each other by this means whilst meeting their own needs for fulfilment, companionship, and a sense of 'giving-back'.

The details of the Charity's 34 volunteers who support the work are recorded in the Volunteers' Register. Opportunities for volunteers are many and varied including for those within the Volunteer Plus scheme, described above. At the year-end there were 5 clients in the Volunteer Plus (V+) programme.

Financial Review

The Charity receives income from several sources. Funds are raised from our shops and warehouse. These facilities also provide volunteering opportunities for people we are supporting. We also partner with North Somerset Council to manage their Welfare Provision Scheme, a bulky waste service (for the disposal of larger items which can't be handled in the regular collections) and a new service aimed at repurposing items that would otherwise go to landfill. Enhanced housing benefit covers the direct costs of operating Andrew House. We are in receipt of some grant income and the local church community continue to support us financially, for which we are enormously grateful. The counselling support we provide and our V+ programme are unfunded. These represent the core of the deficit that we have recorded.

The Business Plan that was produced in 2021 is under review. We are seeking ways to broaden our V+ programme. The residential element has delivered real success in the year and our focus in the current period is to ensure the work is sustainable into the future.

The forecasts, that were prepared at the time of the restructure in 2021 indicated a modest surplus would be achieved in the year recently ended. It has been encouraging that the difficult decisions that were taken have led to sustained increases the results of our activities and the consequent survival of the Charity. The Trustees are pleased to be able to commend the staff for their willing involvement in this success.

As the scope of the Charity's ministry has grown we have been in the process of a transition from an organisation mainly led and managed by the Trustees, to one where paid executives are leading the day-to-day work. As noted above, ministry leads were appointed to direct the V+ and the community (Andrew House) elements of the work. These are additional to the other senior roles managing our commercial enterprises. These are overseen by a part time CEO (currently being filled on an interim basis).



... giving hope and a future

Loans were made by several trustees or their associated organisations. These enabled the Charity to buy Andrew House with the assistance of a mortgage from the previous owners and to support the trading activity during the period prior to the restructure in 2020.

The loan from the previous owners of Andrew House is expected to be replaced by a commercial mortgage in advance of the scheduled repayment due in September 2024.

Incoming resources of £643,373 (2022 - £499,999) were received in the year with the main source of income being funds raised from the sale of donated goods and the sale of bulky waste. Expenditure of £718,088 (2022 - £545,894) reflected costs of charitable activities of £467,932 (2022 - £418,395) and costs of raising funds of £250,156 (2022 - £127,499). The net result in the year to 30 September 2023 was a deficit of £74,715 (2022 - deficit of £46,639).

Management of Risk

The Trustees meet regularly and are sensitive to the risks which attend all charities (such as the risk of money laundering, and risks to its reputation), and to any special potential risks arising from the Charity's activities. During the year the Trustees continued to maintain a Risk Register, Bulletins are regularly received from various sources which alert them to new risks or to new legislation which could require them to perform in ways of which otherwise they would be ignorant. Reference is made to the Charity Commission's Web pages for advice as required.

Until 31 March 2021, operational risks were limited due to the partnership working with Alabaré Christian Care & Support, who took day-to-day responsibility for running Andrew House. Since then, the Charity has been responsible for all risks associated with activity involving clients, and as reported earlier in the report a new Safeguarding policy has been commissioned. The appointment of a full-time manager for the V+ programme has assisted in exercising vigilance over the welfare of clients.

The main risks that fall to Changing Lives Charity are risks to the client group, financial risks, e.g. the social enterprise and future operation of Andrew House, the income and expenditure of the Charity, and risks relating to property ownership. The short to medium-term risks around the balancing of the month-to-month income and expenditure and the repayment / refinance of the debt that the Charity has taken on are under constant review, and form part of the Business and Investment Plan referred to earlier in this report.

Reserves Policy

Our Reserves policy is the subject of review. The Charity has adequate equity in the freehold property (net of all outstanding loans) to be comfortably solvent. It has sufficient reserves of cash to meet its day to day commitments. The costs associated with an unplanned winding up of the charity are covered by cash and other net assets.

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The Charity holds free reserves as detailed in the financial statements.
- Financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves.
- The Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.
- The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.
- Work is in hand to refinance the loans by way of a shared ownership investment model of the house. The Charity remains solvent (on the basis of the most recent valuation of the freehold property) despite the pressures on the monthly results and the repayment of loans. Encouraging progress has been made to deal with both issues and a back-up plan is in place should that be required.



... giving hope and a future

Future Plans

The ministry of the Charity has never been in better shape. Successful partnerships have been developed with North Somerset Council. Our Fundraising efforts are focused on raising additional income to balance the books and sustain our ministry. We are pursuing a model (pioneered by Hope into Action) to attract investors to share the ownership of Andrew House. The sustained support of the local Christian community has brought enormous blessing to the Charity.

Expression of thanks

The Trustees wish to express their sincere gratitude for the hard work and extraordinary level of commitment of all the employees, consultants and volunteers of the Charity.

The Trustees extend this expression of thanks to its partners and those special people who freely give their time and considerable expertise supporting the work of the Trustee Board as advisers.

Finally, the Trustees wish to thank the countless people of goodwill in North Somerset and beyond, who shop, donate and support the work of Changing Lives Charity in so many ways. Without the tireless efforts of everyone involved the Charity would not survive, let alone thrive.

As a Christian Charity, the Trustees also publicly acknowledge the providence of our Heavenly Father who, often through the Charity's stakeholders, provides for our every need.

Approved by the Board of Trustees on:

and signed on their behalf by:

Dr J Schaefer

2 May 2024



... giving hope and a future

Independent Examiner's Report to the Trustees of Changing Lives Charity

I report to the Charity Trustees on my examination of the accounts of the Charitable Company for the year ended 30 September 2023.

Responsibilities and basis of report

As the Charity's Trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns, other than the matter set out below and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Matter of concern identified

The matter that has come to my attention is that the Charity relies on the support of another charity to finance its operations by providing a loan of £322,000 secured on the property, Andrew House, owned by the Charity. While the lender has extended the loan to 30 September 2024, this is within 12 months of approval of the financial statements and financing beyond this date is uncertain, indicating a risk that the amount due to the lender may be called in.

This means that there is significant uncertainty as to the charity's ability to continue as a going concern without refinancing of the loan or the sale of the property. The Trustees are confident that alternative sources of funding will be secured. On this basis, the trustees have concluded that it remains appropriate to prepare the charity's accounts on a going concern basis.



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Independent Examiner's Report to the Trustees of Changing Lives Charity (continued)

Andrew Jordan FCA
Institute of Chartered Accountants in England and Wales Haines
Watts
Chartered Accountants
Bath House
6-8 Bath Street
Bristol
BS1 6HL

3 MAY 2024

Date

CHANGING LIVES CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
YEAR ENDED 30 SEPTEMBER 2023

		2023	2022
		Unrestricted	Unrestricted
		fund	fund
			(reclassified)
	<i>Note</i>	£	£
Income and endowments from:			
Donations and legacies	2	66,732	44,722
Charitable activities	2	154,545	89,355
Raising funds	2	420,703	365,642
Investments	2	1,393	280
		643,373	499,999
Expenditure on			
Charitable activities	3	467,208	418,395
Raising funds	3	250,136	127,499
		717,344	545,894
Net income/(expenditure) before tax		(73,971)	(45,895)
Tax payable	15	744	(744)
Net income/(expenditure)		(74,715)	(46,639)
Total funds brought forward		129,301	175,940
Total funds carried forward		54,586	129,301

CHANGING LIVES CHARITY (Registered number: 9517906)
BALANCE SHEET
AS AT 30 SEPTEMBER 2023

		2023 Unrestricted fund £	2022 Total funds £
	<i>Note</i>		
FIXED ASSETS			
Tangible Fixed Assets	9	546,489	551,755
		<u>546,489</u>	<u>551,755</u>
CURRENT ASSETS			
Debtors	10	23,443	15,121
Cash at Bank		88,765	161,559
		<u>112,208</u>	<u>176,680</u>
CREDITORS			
Amounts falling due within one year	11	462,611	135,634
NET CURRENT (LIABILITIES) / ASSETS		<u>(350,403)</u>	<u>41,046</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		196,086	592,801
CREDITORS			
Amounts falling due after more than one year	12, 13	141,500	463,500
NET ASSETS		<u>54,586</u>	<u>129,301</u>
FUNDS			
Unrestricted Charitable Funds brought forward 1 October 2022		129,301	175,940
Surplus/(Deficit) for the year		(74,715)	(46,639)
Unrestricted Charitable Funds at 30 September 2023		<u>54,586</u>	<u>129,301</u>

The Charity is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2023.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2023 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

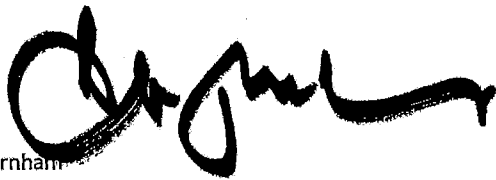
- (a) ensuring that the charity keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and,
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Charitable Company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Charity.

CHANGING LIVES CHARITY (Registered number: 9517906)

**BALANCE SHEET
AS AT 30 SEPTEMBER 2023**

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 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'I Burnham', written over a horizontal line.

I Burnham

2 May 2024

CHANGING LIVES CHARITY (Registered number: 9517906)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	<i>Note</i>	2023	2022
		£	£
Cash flow from operating activities	16	(45,836)	(49,932)
Interest paid		-	(744)
Net Cash flow from operating activities		(45,836)	(50,676)
Cash flow from Investing activities			
Dividends, interest and rents from investments		1,393	280
Payments to acquire tangible fixed assets		(4,590)	(12,615)
Net cash flow from investing activities		(3,197)	(12,335)
Cash flow from financing activities			
Loan interest paid		(23,761)	(13,108)
Net cash flow from financing activities		(23,761)	(13,108)
Net increase/decrease in cash and cash equivalents		(72,794)	(76,119)
Cash and cash equivalents brought forward		161,559	237,678
Cash and cash equivalents carried forward		88,765	161,559
Cash and cash equivalents consist of;			
Cash at bank and in hand		88,765	161,559

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the Charity, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the Charity in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the Charity and are rounded to the nearest £.

Reclassification

The Trustees have reassessed the way income and expenditure are analysed with a view that the income and expenditure reported reflects the activities undertaken. As a result, the income and expenditure of the prior year has been reclassified. There has been no effect on the net expenditure for the year or assets and liabilities as a result of the reclassification.

Going concern

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The Charity holds free reserves as detailed in the financial statements.
- Financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves.
- The Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.
- The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts.
- Work is in hand to refinance the loans by way of a shared ownership investment model of the house. The Charity remains solvent (on the basis of the most recent valuation of the freehold property) despite the pressures on the monthly results and the repayment of loans. Encouraging progress has been made to deal with both issues and a back-up plan is in place should that be required.

Incoming Resources

Income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, and it is probable that the income will be received and the amount can be measured reliably. Donations and gifts are accounted for when received. Income tax reclaimed in relation to amounts received under gift aid is included in the same period as the income to which it relates.

Resources Expended

All resources expended are accounted for on an accruals basis.

Direct costs are allocated to charitable activities and raising of funds as appropriate. Support costs are apportioned to charitable activities and raising funds in line with the proportional split of income (excluding donations and investment income). Property expenses are apportioned as support costs with the exception of Andrew House costs which are directly allocated to charitable activities.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

1 ACCOUNTING POLICIES - continued

Fund accounting

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Not depreciated
Fixtures & fittings	-	3 years straight line
Motor vehicles	-	5 years straight line

All fixed assets are stated at purchase cost plus incidental expenses of acquisition.

No provision for depreciation has been made for freehold property as it is the view of the Trustees that the estimated residual value of each property is not materially different from the carrying value.

Taxation

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

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the Charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

The Charity has creditors which are measured at settlement amounts.

Financial instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the Charity's pension scheme are charged to profit or loss in the period to which they relate.

Donated goods and services

The value of services provided by volunteers is not incorporated into the financial statements.

Where goods or service are provided to the Charity as a donation that would normally be purchased from suppliers, the contributions are included in the financial statements as an estimate based on the value of the contribution.

Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

2	INCOME	2023 £	2022 £ (reclassified)
	Donations and legacies		
	Donations	10,607	15,617
	Other income (Gift Aid)	7,453	5,482
	Grant income	48,672	23,623
	Total donations	66,732	44,722
	Charitable activities		
	Rental Income	74,576	3,155
	Welfare Provision Scheme	65,283	74,789
	Delivery	12,227	9,311
	Other	2,459	2,100
	Total charitable activities	154,545	89,355
	Raising funds		
	Sales	294,733	230,807
	Auction sales	5,260	5,822
	Bulky waste	86,196	75,693
	House clearance	34,514	53,320
	Total raising funds	420,703	365,642
	Investments		
	Income from investments	1,393	280
	Total investments	1,393	280
	Total income	643,373	499,999
	Charitable activities to raising funds ratio	27:73	20:80
		575,248	454,997

The prior year figures have been reclassified to show the Welfare Provision Scheme and related income as a charitable activity. The charitable activity to raising funds income ratio has been recalculated to reflect the reclassification.

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

	2023 £	2022 £
Kickstart	-	13,703
National Lottery	-	9,920
Bupa Foundation	5,000	-
St Andrews Clevedon	1,500	-
JA Settlement	1,000	-
Garfield Weston	30,000	-
Westport c/o University of the West of England	7,172	-
Grants received under £1,000	1,000	-
	45,672	23,623

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

3	COST SUMMARY	2023		2022	
		Charitable activities	Raising funds	Charitable activities	Raising funds
	Direct costs (note 4)	326,652	198,150	305,793	99,349
	Support costs (note 5)	140,556	51,986	112,601	28,150
		467,208	250,136	418,394	127,499

4	DIRECT COSTS	2023	2022
		£	£ (reclassified)
	Costs of charitable activities		
	Appliances for Welfare Provision Scheme	53,638	51,906
	Welfare Provision Scheme installation	5,145	2,631
	Consulting/professional fees	32,296	16,513
	Charitable donations	107	-
	V Plus wellness costs	5,214	-
	Direct property expenses (see below)	41,555	31,781
	Depreciation - charitable activity	986	804
	Salaries - charitable activity	162,602	185,739
	Employers NI	22,884	14,099
	Pensions costs	2,225	2,320
	Total direct costs attributable to charitable activities	326,652	305,793
	Costs of raising funds		
	Bulky waste disposal	8,392	6,417
	Rental costs for waste	8,393	6,416
	Motor vehicle expenses	15,722	14,852
	Operating lease payments	8,293	7,660
	Salaries - trading employees	136,540	55,000
	Pensions costs - raising funds employees	1,940	686
	Consulting/professional fees	10,000	-
	Depreciation - raising funds	8,870	8,318
	Total direct costs attributable to raising funds	198,150	99,349
	Total direct costs	524,802	405,142
	DIRECT PROPERTY EXPENSES (Andrew House)		
	Insurance	3,812	6,187
	Light, power, heating	3,812	5,129
	Legal expenses	10	175
	Rates	4,998	2,534
	Telephone and Internet	1,523	389
	Loan interest on property	23,761	13,108
	Repairs & maintenance	3,639	4,259
		41,555	31,781

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

	2023	2022
	£	£
		(reclassified)
5 SUPPORT COSTS		
Advertising and marketing	15,800	10,628
Bank fees	1,636	1,084
Charity admin costs (see note 6)	141,641	93,356
Food & drink	2,836	1,345
General expenses	15,361	19,414
IT software and consumables	5,162	3,538
Printing, stationery and postage	1,352	1,304
Staff training	2,105	3,465
Subscriptions	463	547
Telephone and internet	3,024	1,627
Travel - national	3,162	4,443
	192,542	140,751
		(reclassified)
Charitable activities 73% (2022 - 80%)	140,556	112,601
Raising funds 27% (2022 - 20%)	51,986	28,150
	192,542	140,751

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

	2023	2022
	£	£
6 CHARITY ADMINISTRATION COSTS		
Audit & accountancy fees	4,139	3,043
Salaries	33,238	26,749
Pensions costs	463	334
Employers NI	2,543	1,566
General expenses	1,703	2,157
Insurance	10,646	6,186
IT software and consumables	5,162	3,539
Rent	33,293	23,441
Rates	4,946	8,004
Light, power and heating	22,148	7,010
Repairs and maintenance	20,041	8,237
Subscriptions, postage and stationery	1,815	1,851
Telephone and internet	1,501	1,239
Bank interest	3	-
	141,641	93,356
7 STAFF COSTS		
Wages and salaries	332,380	267,488
Social security costs	25,427	15,665
Pension costs	4,628	3,340
	362,435	286,493

The average number of employees during the period was 15 (2022 - 15).

No employees received emoluments in excess of £60,000 in 2023 or 2022.

8 INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration consists of the following:

	2023	2022
	£	£
For independent examination	984	984
For non-audit work	1,466	1,356
	2,450	2,340

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

9 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
COST	£	£	£	£
As at 30 September 2022	520,934	16,799	27,117	564,850
Additions	-	300	4,290	4,590
As at 30 September 2023	520,934	17,099	31,407	569,440
DEPRECIATION				
As at 30 September 2022	-	3,480	9,615	13,095
Charge	-	1,523	8,333	9,856
As at 30 September 2023	-	5,003	17,948	22,951
NET BOOK VALUE				
As at 30 September 2023	520,934	12,096	13,459	546,489
As at 30 September 2022	520,934	13,319	17,502	551,755

The loan of £322,000 is secured on the freehold property.

10 DEBTORS

	2023	2022
	£	£
Trade debtors	11,480	10,428
Corporation tax reclaim	-	2,256
Other debtors and prepayments	11,963	2,437
	23,443	15,121

11 CREDITORS: Amounts falling due within one year

	2023	2022
	£	£
Loans from Trustees and related parties	110,000	110,000
Trade creditors	15,289	8,135
Tax	-	3,000
Social security and other taxes	5,918	7,037
Other creditors and accruals	9,353	2,661
Mortgage loan on property repayable under 1 year	322,000	-
Van loans	51	4,801
	462,611	135,634

Included in other creditors is £2,965 (2022 - £1,587) in relation to pension contributions owing.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

12 CREDITORS: Amounts falling due after more than one year

	2023	2022
	£	£
Loans from Trustees		
Over 5 years	65,500	65,500
Over 1 year, under 5 years	5,000	5,000
Company loan		
Over 5 years	71,000	71,000
Mortgage loan on property repayable under 5 years	-	322,000
	141,500	463,500

13 SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Mortgage loan on property	322,000	322,000

14 RELATED PARTY TRANSACTIONS

The Charity has received loans from trustees and related parties as follows;

		2023	2022
		£	£
Keystone Projects & Management Limited*	Repayable in less than 1 year	110,000	110,000
Terry Mears	Repayable in over 1 year	5,000	5,000
Management Limited*	Repayable in over 5 years	71,000	71,000
Jeff Peacock	Repayable in over 5 years	65,500	65,500
		251,500	251,500

* From Keystone Projects & Management Limited (of which David Tomlinson, a Trustee of Changing Lives Charity until 31 March 2023, is a director and shareholder).

The above concessionary loans are not secured and are interest free.

Between 1 and 5 years	5,000	5,000
Over 5 years	65,500	65,500
	70,500	70,500

During the Year, I Burnham, a director of the charity was paid consulting fees of £11,189 (2022 - £nil) in his position as consultant, acting CEO, of the Charity.

Expenses totalling £43 were paid to one trustee for travel during the year ended 30 September 2023. There were no expenses paid for the period ended 30 September 2022.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2023

15 TAXATION

	2023	2022
	£	£
Current tax:		
UK corporation tax owed to HMRC 2021/22	-	3,000
UK corporation tax due from HMRC 2020/21	-	(2,256)
Tax on trading profit	-	744

HMRC subsequently determined that the Charity is not liable to corporation tax and the tax paid was recovered.

16 RECONCILIATION OF NET INCOME/ (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net income / (expenditure) for year / period	(74,715)	(45,895)
Depreciation and impairment of tangible fixed assets	9,856	9,122
Income from investments	(1,393)	(280)
(Increase) / decrease in debtors	(8,322)	7,501
Increase / (decrease) in creditors	4,977	(33,488)
Loan interest paid	23,761	13,108
Net cash flow from operating activities	(45,836)	(49,932)

CHANGING LIVES CHARITY

England & Wales - Charity number 1161892

Accounts



... giving hope and a future

CHANGING LIVES CHARITY

Trustees' Annual Report & Financial

Statements for the year ended

30 September 2022

A Company Limited by Guarantee and a Registered Charity

Company Registration No 9517906

Charity Registration No 1161892



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CHANGING LIVES CHARITY

Trustees' Annual Report & Financial Statements for the year ended 30 September 2022

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CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2022

OFFICERS AND PROFESSIONAL ADVISERS

Company Number	9517906
Charity Number	1161892
Registered Office	Unit 2a, Kimberley Road Clevedon, North Somerset BS21 6QJ
Trustees (who are also directors for the purposes of Company law)	Ian Burnham FCA Chris Hibbs Terry Mears (Charity Secretary) Jeff Peacock (until 31.03.22) Jennifer Schaefer (from 01.02.22) Daniel Sibthorpe David Tomlinson (Chair) Ray Wilson CBE (until 22.09.21)
Bankers for Changing Lives Charity	CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill. West Malling, Kent ME19 4JQ
Bankers for Subsidiary Companies	Lloyds Bank plc (Changing Lives in Clevedon Limited) and Santander UK plc (Business4Mission Limited)
Independent Examiner	Andrew Jordan Haines Watts, Chartered Accountants Bath House, 6-8 Bath Street, Bristol BS1 6HL
Other Professional Advisors	
Strategic Policy Advice & Support	Rev Stephen Fowler, Mooring Upper Godney, Wells BA5 1RX
IT & Web Solutions	Worthers Ltd, Long Barn, Folly Farm, Tickenham, Bristol BS21 6RY
Policy Advisors	Cornerstone Resources Ltd., Trinity House, Newby Road, Stockport SK7 5DA



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CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2022

The Trustees are pleased to present their Report, together with the Financial Statements of the Charity for the year ended 30 September 2022.

The Financial Statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company, and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102).

Charitable Object

The Object of the Charity is for the public benefit, "the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage". Included in the Articles of Association are the powers to make grants, donations, or loans to organisations which further the aims of Changing Lives Charity. The current range of the Charity is throughout the whole of North Somerset.

Vision

The vision is to serve the needs of a wide range of marginalised men, women, and young adults from a variety of backgrounds who face barriers to employment and a fulfilling, independent life. We aim to achieve do this by:

- providing high quality, workplace training and employment opportunities (by volunteering) to equip our Supported Volunteers to assume a fulfilling life in the community;
- offering access to a range of therapeutic support, including a mentor, to facilitate recovery;
- expanding the social enterprise to increase our capacity to meet the growing demand from those in need of help;
- making available suitable, safe, supported accommodation to those joining the work-based recovery programme who are currently homeless or at risk of becoming homeless.

These aims are expressed in the **Business and Investment Plan**, published on 15th November 2021. The plan describes the methods by which the aims will be met, and sets out the resources required and the means by which those resources will be garnered. It introduces and describes the programme **Volunteer Plus (V+)**, which is the service provision delivering the care for the Charity's clients. This service is headed by a manager skilled and experienced in the conditions which the clients generally display, and a part-time manager appointed to drive the development of this enterprising initiative. Men and women enter the scheme following assessment to ascertain their ability to benefit from the therapeutic service on offer. Residential places at Andrew House came on-stream in December 2022. These places are restricted to men, and limited to 11 at any one time. Non-resident clients, men and women, enjoy access to all the therapy support services, and the limitation on the potential for growth in their numbers is the availability of trained mentors.

During the year, the Charity, has continued to gain a greater understanding of the background of most of those exhibiting chaotic and damaging behaviour associated with substance abuse, serial offending, violence, and homelessness. It is now becoming accepted in the UK that chronic, toxic trauma in early years - e.g., abuse (of all types), neglect and loss of a significant person / carer - is the prime causal factor.



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These experiences result in lasting physiological and psychological damage, potentially leading to permanent health, relational, and social disadvantage. The Charity has reaffirmed its aim to enable those affected to live fulfilling lives and contribute to the wellbeing of the community.

Volunteer Plus is a workplace programme of volunteering, education and training; combined with supportive therapeutic input; and the offer of a mentor to accompany the client throughout the programme and beyond. This employability programme is composed of elements that have also been shown to facilitate permanent change, personal development, and improved health outcomes. The aim of the programme is to equip the person for independent living, employment, and a fulfilling life.

The purpose of a residential component at Andrew House, Clevedon is to provide safe, supported housing for eligible participants of Volunteer Plus. It also provides a greater level of support, which only a close community, such as the House, can provide.

This provision is relevant for those who wish to join the programme and currently live remotely from Clevedon, have no satisfactory accommodation, or need to escape the damaging social networks to which they currently belong in order to enable recovery to take firm root.

The Charity operates a social enterprise comprising a number of elements – which, together, not only support the work of the Charity financially, but also, in themselves, have considerable community benefit. Additionally, it provides important volunteering opportunities for those on the V+ programme.

Some of these services operate in partnership with North Somerset Council: e.g.

- A waste disposal service, which incorporates a recycling component. Discussions are taking place to extend this to add a reuse facility, with the aim of further reducing the amount of waste that ends up in landfill.
- The Welfare Provision Service, under which the Charity sources and supplies essential household goods to disadvantaged families.
- A House Clearance service, which has the spin off benefit of providing donated goods for sale through the Charity's retail and online outlets.

During the year, the Trustees have continued to make and implement several progressive decisions in furtherance of the Charity's Object. The chief aim has been to plan and continue to deliver the Vision set out above.

To do this, the Trustees have worked to identify and make progress in developing appropriate therapeutic support for their clients, and to improve the viability of its social enterprise.

Mission

Volunteer Plus (V+)

Piloted in the Summer of 2019, the Volunteer Plus programme saw the introduction of this workplace education, training, and employment (volunteering) programme, based in the Charity's hub in Kimberley Road, Clevedon. This programme has been developed and extended and the Trustees believe it offers a unique holistic pathway to recovery.

Andrew House

Andrew House forms an important part of the developing ministry programme, and will integrate with V+, offering the benefits of a therapeutic community for those who require a safe place to live and a greater level of support as they recover their ability to manage a tenancy of their own. During the year, the interior of the building was upgraded and made ready for the admission of clients. Since then, 9 of the 11 bedspaces have been filled



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Community Hub

The fresh vision and inspiration arising from work by Trustees, aided by professional support, resulted in adopting, as a key element of its vision, the concept of a 'Community Hub' defined as follows:

"An inspirational destination space with retail space community café, workshop / learning space, and a productive walled garden. Through the development of the Community Hub, Changing Lives Charity would become a unique project leading the way in transformative healing programmes."

The property occupied by the Charity in Kimberley Road, Clevedon had been under consideration as the means of accommodating and hosting the Community Hub. However, its limitations have been recognised, and alternatives have been considered during the year, with no success to date in finding a suitable alternative in Clevedon.

Business & Investment Plan

Following a period of strategic review, the Trustees saw the need to draw together the aspirations of the Charity (vision, mission, and values) and the financial requirement to fulfil these aims.

The Plan introduces the detailed proposals for the Volunteer Plus programme, incorporating Andrew House; fundraising and staffing requirements; and the delivery of the therapeutic and other components of support for the clients, hosted by the social enterprise of the Charity. In March 2022 a fundraising company, the Marsha Miles Consultancy, was appointed. Early results have been encouraging.

Social Enterprise

The purpose of the Social Enterprise is to perform the hosting function for the work-based recovery programme, Volunteer Plus. The managers, members of staff, and volunteers drawn from the wider community all play their part in supporting the V+ participants, with the aim of providing realistic workplace experience to help them become 'work-ready'.

The core of the Charity's primary purpose trading is focused on the sale of donated furniture and household goods. The Charity's beneficiaries are engaged in undertaking many of the activities in the social enterprise, guided and encouraged by employees of the Charity in key roles.

Measures to improve the performance of the social enterprise have continued during the year, with encouraging results. Concern regarding the public perception of the Charity led to a review of how the Charity is presented - through stationery, van lettering, literature, etcetera; and quotations were invited for rebranding. In September, the contract for this was awarded to Amperative.

Fiscal diligence

All expenditure during the period 2021-2022 was for the public benefit, in accordance with the Object of the Charity. A scheme of delegation for financial control was agreed in September, 2022.

Resources

Individuals, the community and local Churches continue to be valued contributors to the Charity, in terms of both financial and practical support. The Charity has met all its financial responsibilities and remains financially viable.

Opportunities for attracting financial support through the use of Web-based tools and social media have been exploited, and Total Giving provides an easy means of donating to the Charity.



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Structure, Governance & Administration

The Charity is governed by its Memorandum and Articles of Association, signed by all formation Trustees on 16 March 2015. The Charity is a Company limited by guarantee without shares, incorporated on 30 March 2015.

The Trustees are determined to ensure good practice is followed and are aware of their obligation to abide by Charity (and other relevant) Law, including the reporting to the relevant authorities, as necessary, of adverse incidents occurring in the life of the Charity.

Trustees: Changes in Trustee membership occurred during the year, as follows:

1st February 2022, Dr Jenny Schaefer was appointed Trustee

31st March 2022, Jeff Peacock retired as a Trustee

Appointment of a Chief Executive

Having established the Business and Investment Plan as the guiding document for the Charity and its Managers, the Trustees turned their attention to the need for a senior manager, to whom they could hand the day-to-day executive leadership; along with many administrative and managerial tasks they had been carrying since the Charity was registered in 2015. In May 2022 a Chief Executive was appointed and commenced on 16th May. This appointment was terminated in December 2022, and an Interim CEO is in place pending a permanent replacement.

Safeguarding Policy

The developments of the ministry of the Charity resulted in the need to review and revise the Safeguarding Policy. Accordingly, a professionally written policy was commissioned. This policy was approved by the Trustees in April 2022, for review in 12 months.

Public Benefit

The Trustees confirm that they have fulfilled their duty to have due regard to compliance with the guidance on public benefit rules.

Volunteers

Volunteers are essential to the wellbeing and sustainability of the Charity. The Trustees' desire is: to engage with the widest variety of people of goodwill in our community; and to help them serve each other by this means, whilst meeting their own needs for fulfilment, companionship, and a sense of 'giving-back'.

The details of the Charity's 45 regular volunteers who support the work are recorded in the Volunteers Register. Opportunities for volunteers are many and varied, including for those within the Volunteer Plus scheme described above. At the year-end there were 7 clients in the Volunteer Plus programme. This has increased post year end.

Financial Review

The Charity's finances have stabilised after the closure of loss-making shops; the Covid lockdown, when we were in receipt of Government support; and a very generous donation to the Charity last year.

The ministry and trading activities are operating at near capacity, although the trading arm and receipt of Housing Benefit are unable to fund fully the delivery of the Charity's ministry. Grants and donations are sought to cover the shortfall.

The Charity recorded a deficit of £46.6k in the year. The previous year had returned a surplus of £161.7k in the greater part, due to the donation referred to above. Turnover increased, as did the Charity's costs. The investment plan anticipates that the Trustees will need to raise around £100k of grants each year to sustain the Charity's model of ministry.



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Management of Risk

The Trustees meet regularly and are sensitive to the risks which attend all charities (such as the risk of money laundering, and risks to its reputation), and to any special potential risks arising from the Charity's activities. During the year, the Trustees were made aware of the importance of managing a Risk Register, and further work was undertaken on its formulation during the 2021-22.

Bulletins are regularly received from various sources, which alert Trustees to new risks or new legislation, potentially, requiring them to perform in ways, of which they would otherwise be ignorant. Reference is made to the Charity Commission's Web pages for advice as required.

Until 31 March 2021, operational risks were limited. This was due to the partnership working with Alabaré Christian Care & Support, who took day-to-day responsibility for running Andrew House. Since then, the Charity has assumed responsibility for all risks associated with activity involving clients; and, as reported earlier in the report, a new Safeguarding policy has been adopted. The appointment of a full-time manager for the V+ programme has assisted in exercising vigilance over the welfare of clients.

The main risks that fall to Changing Lives Charity are: risks to the client group; financial risks, e.g. the social enterprise and future operation of Andrew House; the income and expenditure of the Charity; and risks relating to property ownership. The short to medium-term risks around the repayment / refinance of the debt that the Charity has taken on are being addressed, and form part of the Business and Investment Plan referred to earlier in this report.

Reserves Policy

The Reserves Policy, agreed on 21st November 2016, was reviewed during 2019. Whilst the refurbishment of the Charity's freehold property, Andrew House, Victoria Road, Clevedon is largely complete, the level of monthly running costs for the Charity has increased substantially from hiving-up the trading business. Because of this, combined with the relatively short-term nature of a portion of the Charity's debt, the Trustees believe that the policy set in 2016 of "not setting an upper limit of cash reserves" should remain for the time being.

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved, for the following reasons:

- the Charity holds free reserves, as detailed in the financial statements;
- financial forecasts for the next 3 years anticipate a modest surplus, thereby increasing the level of free reserves. The year to September 2023 is expected to record a deficit, allowing for the inevitable time lag in generating grant income following the appointment of the Fundraisers;
- the Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity;
- the Trustees, therefore, consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

Future Plans

The Charity has now firmly established the V+ programme. The reopening of Andrew House to new residents is complete, and it has rationalised its commercial activities and social enterprise. Each of these components of its ministry and work can be incrementally enhanced, but the main foundations of its vision are now securely in place.

Some success in raising funds has been achieved since the appointment of the Charity's Fundraising Consultants and further success will be key to delivering ministry. It will also be important to refinance loans on Andrew House and a number of options are currently under consideration



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The Community Hub: It has been accepted that this project cannot go forward, based on the premises currently occupied by the Charity and referred to as the Warehouse. The location does not lend itself to such a development, but neither are there other viable options locally. It is still the intention of the Trustees to pursue this objective, and complete the vision for V+, and this will remain on the table.

Expression of thanks

The Trustees wish to express their sincere gratitude for the hard work and extraordinary level of commitment of all the employees, consultants and volunteers of the Charity.

The Trustees extend this expression of thanks to its partners, and those special people who freely give their time and considerable expertise supporting the work of the Trustee Board as advisers.

Finally, the Trustees wish to thank the countless people of goodwill in North Somerset and beyond, who shop, donate and support the work of Changing Lives Charity in so many ways. Without the tireless efforts of everyone involved the Charity would not survive, let alone thrive.

As a Christian Charity, the Trustees also publicly acknowledge the providence of our Heavenly Father who, often through the Charity's stakeholders, provides for our every need.

Approved by the Board of Trustees on:

and signed on their behalf by:

I Burnham

27 June 2023



... giving hope and a future

CHANGING LIVES CHARITY

Independent Examiner's Report to the Trustees of Changing Lives Charity

I report to the charity trustees on my examination of the accounts of the Charitable Company for the year ended 30 September 2022.

Responsibilities and basis of report

As the charity's trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns, and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Andrew Jordan FCA
Institute of Chartered Accountants in England and Wales
Haines Watts
Chartered Accountants
Bath House
6-8 Bath Street Bristol
BS1 6HL

Date 28th June 2023

CHANGING LIVES CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account)
YEAR ENDED 30 SEPTEMBER 2022

		Year Ended 30.9.22	Year Ended 30.9.21
		Unrestricted fund	Total funds (Re-classified)
	Note	£	£
Income from			
Donations		15,617	154,986
Other income (Gift Aid)		5,482	2,118
Raising funds (trading)	2	129,013	117,534
Raising funds (charitable activities)	2	322,829	199,957
Rental income		3,155	19,521
Income from investments		280	21
Grant income		23,623	79,615
		499,999	573,752
Expenditure on			
Raising funds expenditure (trading)	3	122,345	118,187
Charitable activities	3	423,549	291,023
		545,894	409,210
Net income/(expenditure) before tax		(45,895)	164,542
Tax payable	17	744	2,887
Net income/(expenditure)		(46,639)	161,655
Total funds brought forward		175,940	14,285
Total funds carried forward		129,301	175,940

**Prior year figures have been re-classified to reflect the accurate classification of trading income and expenditure*

CHANGING LIVES CHARITY (Registered number: 9517906)
BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	<i>Note</i>	2022 Unrestricted fund	2021 Total funds
FIXED ASSETS			
Tangible Fixed Assets	11	<u>551,755</u>	<u>548,262</u>
		551,755	548,262
CURRENT ASSETS			
Debtors	12	15,121	22,622
Cash at Bank		<u>161,559</u>	<u>237,678</u>
		176,680	260,300
CREDITORS			
Amounts falling due within one year	13	<u>135,634</u>	<u>109,122</u>
NET ASSETS		592,801	699,440
CREDITORS			
Amounts falling due after more than one year	14,15	463,500	523,500
TOTAL NET ASSETS		<u>129,301</u>	<u>175,940</u>
FUNDS			
Unrestricted Charitable Funds brought forward 1st October 2021		175,940	14,285
Surplus/(Deficit) for the year		<u>(46,639)</u>	<u>161,655</u>
Unrestricted Charitable Funds at 30th September 2022		<u>129,301</u>	<u>175,940</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2022.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and,
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

CHANGING LIVES' CHARITY (Registered number: 9517906)

**BALANCE SHEET
AS AT 30 SEPTEMBER 2022**

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 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'I Burnham', with a large, stylized initial 'I'.

I Burnham

27 June 2023

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

1 ACCOUNTING POLICIES

Changing Lives Charity is a company limited by guarantee without share capital use, registered in England and Wales. The financial statements of the charity, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

These financial statements are those of the parent company only and not that of the group, as the charitable parent company has taken advantage of the available exemptions not to prepare consolidated accounts.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The charity holds unrestricted, general reserves of £129,301. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Incoming Resources

Income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, and it is probable that the income will be received and the amount can be measured reliably. Donations and gifts are accounted for when received. Income tax reclaimed in relation to amounts received under gift aid is included in the same period as the income to which it relates.

Resources Expended

All resources expended are accounted for on an accruals basis.

Direct costs are allocated to charitable activities and raising of funds (trading) as appropriate. Support costs are apportioned to trading and charitable activities in line with the proportional split of income (excluding donations and investment income). Property expenses are apportioned as support costs with the trading element being 50% of the proportional income split reflecting the estimated use of the warehouse.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Not depreciated
Fixtures & fittings	-	3 years straight line
Motor vehicles	-	5 years straight line

All fixed assets are stated at purchase cost plus incidental expenses of acquisition.

No provision for depreciation has been made for freehold property as it is the view of the Trustees that the estimated residual value of each property is not materially different from the carrying value.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

1 ACCOUNTING POLICIES - continued

Fund accounting

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

Taxation

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

Current tax is recognised in the SOFA on trading income at the amount payable using tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

The charity has creditors which are measured at settlement amounts.

Financial instrument

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Donated goods and services

The value of services provided by volunteers is not incorporated into the financial statements.

Where goods or service are provided to the charity as a donation that would normally be purchased from suppliers, the contributions are included in the financial statements as an estimate based on the value of the contribution.

Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

		2022	2021
		£	£
2	INCOME		
	Raising funds		
	Sales	230,807	144,232
	Auction sales	5,822	5,479
	Delivery	9,311	4,659
	Welfare Provision Scheme	74,789	42,159
	other	2,100	3,428
	Total raising funds (charitable activities)	322,829	199,957
	Trading income;		
	Bulky waste	75,693	77,144
	House clearance	53,320	40,390
	Total raising funds (trading)	129,013	117,534
	Total raising funds	451,842	317,491
	Trading as percentage of raising funds	29%	37%
3	COST SUMMARY		
		2022	2021
		Trading Charitable	Trading Charitable
	Direct costs (note 4)	85,273 288,089	75,302 170,609
	Support costs (note 5)	27,911 68,334	29,519 50,261
	Property expenses (note 7)	9,161 54,018	13,366 58,883
	Loan interest on property	- 13,108	- 11,270
		122,345 423,549	118,187 291,023
4	DIRECT COSTS		
	Charitable activity;	2022	2021
		£	£
	Appliances for WPS	51,906	29,426
	Depreciation - charitable activity	804	623
	Rental costs for waste	6,416	6,998
	Welfare Provision Scheme installation	2,631	629
	Salaries - charitable activity	185,739	104,139
	Employers NI	14,099	2,368
	Pensions Costs	2,320	1,009
	Operating Lease Payments	7,660	11,216
	Consulting/Professional Fees	16,514	14,201
	Total direct costs attributable to charitable activities	288,089	170,609
	Trading;		
	Bulky waste disposal	6,417	6,997
	Motor Vehicle Expenses	14,852	9,411
	Salaries - trading employees	55,000	55,000
	Pensions Costs - trading employees	686	544
	Depreciation - trading	8,318	3,350
	Total direct costs attributable to trading activities	85,273	75,302
	Total direct costs	373,362	245,911

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

5	SUPPORT COSTS		
	Advertising & Marketing	10,628	4,565
	Bank Fees	1,084	990
	Charity admin costs (see note 6)	48,850	43,468
	Food & Drink	1,345	789
	General Expenses	19,414	13,324
	IT Software and Consumables	3,538	3,914
	Printing, Stationery and postage	1,304	378
	Staff Training	3,465	5,009
	Subscriptions	547	574
	Telephone & Internet	1,627	2,886
	Travel - National	4,443	3,883
		96,245	79,780
	Trading 29% (2021 - 37%)	27,911	29,519
	Charitable activity 71% (2021 - 63%)	68,334	50,261
		96,245	79,780

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

	2022	2021
	£	£
6 CHARITY ADMINISTRATION COSTS		
Audit & Accountancy fees	3,043	6,718
Salaries	26,749	17,682
Pensions Costs	334	173
Employers NI	1,566	263
General Expenses	2,157	1,480
Insurance	6,186	6,909
IT Software and Consumables	3,539	3,914
Rent	1,172	2,090
Repairs & Maintenance	625	737
Subscriptions, postage and stationery	1,851	616
Telephone & Internet	1,628	2,886
	48,850	43,468
7 CHARITY PROPERTY EXPENSES		
Insurance	6,187	6,909
Light, Power, Heating	12,139	9,657
Legal Expenses	175	-
Rates	10,538	1,971
Rent	22,269	39,713
Repairs & Maintenance	11,871	13,999
	63,179	72,249
Trading 14.5% (2021 - 18.5%)	9,161	13,366
Charitable activity 85.5% (2021 - 81.5%)	54,018	58,883
	63,179	72,249
8 STAFF COSTS		
Wages and salaries	267,488	176,821
Social security costs	15,665	2,631
Pension costs	3,340	1,726
	286,493	181,178

The average number of employees during the period was 15 (2021 - 12).

9 TRUSTEE REMUNERATION AND BENEFITS

No Director/Trustee has received any remuneration for services as a Director/Trustee in either period.

There were no trustees' expenses paid for the year ended 30 September 2022 nor for the period ended 30 September 2021.

10 INDEPENDENT EXAMINER'S REMUNERATION

The independent examiner's remuneration consists of the following:

	2022	2021
	£	£
For independent examination	984	984
	984	984

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

11 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
COST				
As at 30 September 2021	520,934	4,184	27,117	552,235
Additions	-	12,615	-	12,615
As at 30 September 2022	<u>520,934</u>	<u>16,799</u>	<u>27,117</u>	<u>564,850</u>
DEPRECIATION				
As at 30 September 2021	-	701	3,272	3,973
Charge	-	2,779	6,343	9,122
As at 30 September 2022	<u>-</u>	<u>3,480</u>	<u>9,615</u>	<u>13,095</u>
NET BOOK VALUE				
As at 30 September 2022	<u>520,934</u>	<u>13,319</u>	<u>17,502</u>	<u>551,755</u>
As at 30 September 2021	<u>520,934</u>	<u>3,483</u>	<u>23,845</u>	<u>548,262</u>

12 DEBTORS

	2022 £	2021 £
Trade debtors	10,428	6,483
Corporation tax reclaim	2,256	-
Other debtors and prepayments	<u>2,437</u>	<u>16,139</u>
	<u>15,121</u>	<u>22,622</u>

13 CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Loans from Trustees and related parties	110,000	50,000
Trade creditors	8,135	15,784
Tax	3,000	2,887
Social security and other taxes	7,037	4,465
Other creditors and accruals	2,661	30,385
Van loans	<u>4,801</u>	<u>5,601</u>
	<u>135,634</u>	<u>109,122</u>

Included in other creditors is £1,587 (2021: £860) in relation to pension contributions owing.

14 CREDITORS: Amounts falling due after more than one year

	2022 £	2021 £
Loans from Directors/Trustees		
Over 5 years	65,500	65,500
Over 1 year, under 5 years	5,000	5,000
Company loan		
Over 1 year, under 5 years	-	60,000
Over 5 years	71,000	71,000
Mortgage loan on property repayable under 5 years	<u>322,000</u>	<u>322,000</u>
	<u>463,500</u>	<u>523,500</u>

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2022

15 RELATED PARTY TRANSACTIONS

The charity has received loans from trustees and related parties as follows;

		2022	2021
		£	£
Keystone Projects & Management Limited*	Repayable in less than 1 year	110,000	50,000
Terry Mears	Repayable in over 1 year	5,000	5,000
Keystone Projects & Management Limited*	Repayable in over 1 year	-	60,000
Keystone Projects & Management Limited*	Repayable in over 5 years	71,000	71,000
Jeff Peacock	Repayable in over 5 years	65,500	65,500
		251,500	251,500

* From Keystone Projects & Management Limited (of which David Tomlinson, a Trustee of Changing Lives Charity, is a director and shareholder)

The above concessionary loans are not secured and are interest free.

Between 1 and 5 years	5,000	5,000
Over 5 years	65,500	65,500
	70,500	70,500

16 COMPANY LIMITED BY GUARANTEE

The charity is a private company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charity in the event of the company being wound up.

17 TAXATION

	2022	2021
	£	£
Current tax:		
UK corporation tax owed to HMRC 2021/22	3,000	2,887
UK corporation tax due from HMRC 2020/21	(2,256)	-
Tax on trading profit	744	2,887

CHANGING LIVES CHARITY

England & Wales - Charity number 1161892

Accounts



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CHANGING LIVES CHARITY

Trustees' Annual Report & Financial

Statements for the year ended

30 September 2021

A Company Limited by Guarantee and a Registered Charity

Company Registration No 9517906

Charity Registration No 1161892



... giving hope and a future

CHANGING LIVES CHARITY

Trustees' Annual Report & Financial Statements for the year ended 30 September 2021

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CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2021

OFFICERS AND PROFESSIONAL ADVISERS

Company Number	9517906
Charity Number	1161892
Registered Office	Unit 2a, Kimberley Road Clevedon, North Somerset BS21 6QJ
Trustees (who are also directors for the purposes of Company law)	Ian Burnham FCA Chris Hibbs Terry Mears (Charity Secretary) Jeff Peacock (until 31.03.22) Jennifer Schaefer (from 1.02.22) Daniel Sibthorpe (from 22.09.21) David Tomlinson (Chair) Ray Wilson CBE (until 22.09.21)
Bankers for Changing Lives Charity	CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill. West Malling, Kent ME19 4JQ
Bankers for Subsidiary Companies	Lloyds Bank plc (Changing Lives in Clevedon Limited) and Santander UK plc (Business4Mission Limited)
Independent Examiner	Haines Watts, Chartered Accountants, Bath House, 6-8 Bath Street, Bristol BS1 6HL
Other Professional Advisors	
Strategic Policy Advice & Support	Rev Stephen Fowler, Mooring Upper Godney, Wells BA5 1RX
IT & Web Solutions	Worthers Ltd, Long Barn, Folly Farm, Tickenham, Bristol BS21 6RY
Policy Advisors	Narrow Quay HR Consultancy, Narrow Quay House, Narrow Quay, Bristol BS1 4QX Phasic Ltd., 39, Gracedieu Road, Loughborough, LE11 4QE



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CHANGING LIVES CHARITY

Report of the Trustees for the year ended 30 September 2021

The Trustees are pleased to present their Report together with the Financial Statements of the Charity for the year ended 30 September 2021.

The Financial Statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Charitable Object

The Object of the Charity is for the public benefit, “the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage”. Included in the Articles of Association are the powers to make grants, donations, or loans to organisations which further the aims of Changing Lives Charity. The current range of the Charity is throughout the whole of North Somerset.

Vision

The vision is to serve the needs of a wide range of marginalised men, women, and young people from a variety of backgrounds who face barriers to employment and a fulfilling, independent life. We shall do this by:

- providing high quality, workplace training and employment opportunities (by volunteering) to equip them to assume a fulfilling life in the community
- offering access to a range of therapeutic support including a mentor, to facilitate their recovery
- expanding the social enterprise to increase our capacity to meet the growing demand from those in need of help.
- making available suitable, safe, supported accommodation to those joining the work-based recovery programme who are currently homeless or at risk of becoming homeless.

During the year, the Charity gained a greater understanding of the background of most of those exhibiting chaotic and damaging behaviours associated with substance abuse, serial offending, violence, and homelessness. It is now becoming accepted in the UK that chronic, toxic trauma in early years, e.g., abuse (of all types), neglect and loss of a significant person / carer, is the prime causal factor.

These experiences result in lasting physiological and psychological damage leading to permanent health, relational, and social disadvantage. The Charity has reaffirmed its aim to enable those affected to live fulfilling lives and contribute to the wellbeing of the community.

Volunteer Plus is a workplace programme of volunteering, education and training combined with supportive therapeutic input and the offer of a mentor to accompany the client throughout the program and beyond. This employability program is composed of elements that have also been shown to facilitate permanent change, personal development, and improved health outcomes. The aim of the program is to equip the person for independent living, employment, and a fulfilling life.

The purpose of a residential component planned at Andrew House, Clevedon is to provide safe, supported housing for eligible participants of Volunteer Plus. It also provides a greater level of support available only within a close community such as the House can provide.

This provision is relevant for those who wish to join the programme who currently live remotely from Clevedon, have no satisfactory accommodation, or need to escape the damaging social networks to which they currently belong to enable recovery to take firm root.



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During the year, the Trustees have made and implemented several progressive decisions in furtherance of the Charity's Object. The chief aim has been to plan and begin to deliver the Vision set out above. To do this, the Trustees have worked to identify and make progress in developing appropriate therapeutic support for their clients, and to improve the viability of its social enterprise.

Mission

Volunteer Plus (V+)

Piloted in the Summer of 2019 the Volunteer Plus programme saw the introduction of this workplace, education, training, and employment (volunteering) programme, based in the Charity's hub in Kimberley Road, Clevedon.

Much thought and research into the needs of people in recovery has been undertaken, in parallel with the development of the V+ programme, and by November 2019 the Trustees had decided that an integrated approach to effectively support those in recovery had to be adopted. Further work undertaken during 2020 clarified this and 'trauma survivor' became the defining client group for Changing Lives. Having reached this stage, the Trustees appointed a part-time Director of Programmes for the V+ programme in March 2020.

The Covid-19 pandemic with the resulting irregular periods of lockdown caused considerable disruption to the development of the V+ programme and set-back the recovery of several participants. It also delayed the implementation of the therapeutic elements including the recruitment and training of mentors.

Andrew House

Andrew House forms an important part of the developing ministry programme, and will integrate with V+, offering the benefits of a therapeutic community for those who require safe place to live and a greater level of support as they recover their ability to manage a tenancy of their own.

In the autumn of 2019 by mutual consent, it was decided that the partnership with Alabaré Christian Care & Support be brought to an end. Under the partnership, Alabaré was enabled to operate a service for men in recovery from addiction in the house with the support of Changing Lives. The impact of the Covid 19 pandemic delayed the Alabaré's search for alternative accommodation. Andrew House was returned to the Charity at the end of March 2021.

On behalf of Changing Lives and the community of Clevedon, the Trustees wish to express their deep and lasting gratitude for the massive contribution that the staff, volunteers, and trustees of Alabaré Christian Care & Support have made to the town of Clevedon and to the lives of many people who have enjoyed the safety and care received in Andrew House over the last 18 years.

Community Hub

The fresh vision and inspiration arising from work by Trustees, aided by professional support, resulted in adopting, as a key element of its vision, the concept of a 'Community Hub' defined as follows:

"An inspirational destination space with retail space, community café, workshop / learning space and a productive walled garden. Through the development of the Community Hub, Changing Lives Charity would become a unique project leading the way in transformative healing programmes."

The property occupied by the Charity in Kimberley Road, Clevedon is currently under consideration as the means of accommodating and hosting the Community Hub. However, its limitations have been recognized, and alternatives will be considered as the concept is developed and the requirements for the Hub are better defined.



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Business & Investment Plan

Following a period of strategic review, the Trustees saw the need to draw together the aspirations of the charity (vision, mission, and values) and the financial requirement needed to fulfil these aims.

Work on the preparation of a Business & Investment Plan started in Q4: 2020-21 and was finalised in Q1: 2021-22. The Plan informs the detailed proposals for Andrew House, fundraising and staffing requirements, and the delivery of the therapeutic and other components of support for the Volunteer Plus programme hosted by the social enterprise of the Charity.

Social Enterprise

The purpose of the Social Enterprise is to perform the hosting function for the work-based recovery programme, Volunteer Plus. The managers, members of staff and volunteers drawn from the wider community all play their part in supporting the V+ participants with the aim of providing realistic workplace experience to help them become 'work-ready'.

The core of the Charity's primary purpose trading is focused on the sale of donated furniture and household goods. The Charity's beneficiaries are engaged in undertaking many of the activities in the social enterprise guided and encouraged by employees of the Charity in key roles.

Extensive measures to improve the performance of the social enterprise continued and significant results have been achieved despite the challenges of the C-19 pandemic.

Fiscal diligence

All expenditure during the period 2020-2021 was for the public benefit in accordance with the Object of the Charity.

Resources

The Churches and the wider community in Clevedon and the surrounding area continue to be a significant contributor to the Charity, in terms of both financial and practical support. The Charity has met all its financial responsibilities and remains financially viable.

Opportunities for attracting financial support through the use of Web-based tools and social media have been exploited, and Total Giving provides an easy means of donating to the charity. In August 2021 the final payment was received of a three-year grant from a large charitable foundation towards the Charity's core costs.

Structure, Governance & Administration

The Charity is governed by its Memorandum and Articles of Association, signed by all formation Trustees on 16 March 2015. The Charity is a Company limited by guarantee without shares incorporated on 30 March 2015.

The Trustees are determined to ensure good practice is followed and are aware of their obligation to abide by charity and other relevant law including the reporting of adverse incidents occurring in the life of the Charity to the relevant authorities, as necessary.

The developments of the ministry of the Charity resulted in the need to review and revise the Safeguarding Policy, accordingly a professionally written policy was commissioned. A proposed policy has been received and was under consideration by the Trustees at the year end. This work has been carried over into the 2021-22 reporting period.

Public Benefit

The Trustees confirm that they have fulfilled their duty to have due regard to compliance with the guidance on public benefit rules.



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Training for Trustees

Local training has been undertaken by reference to the obligations of trustees and the need for planned retirement of trustees. Further opportunities through the availability of appropriate study days and conferences are monitored and used. Vigilance over potential benefit and value for money is maintained.

Volunteers

Volunteers are essential to the wellbeing and sustainability of the Charity. The Trustee's desire is to engage with the widest variety of people of goodwill in our community and to help them serve each other by this means whilst meeting their own needs for fulfilment, companionship, and a sense of 'giving-back'.

The Charity has a significant number of volunteers although the C-19 pandemic has made it more difficult to sustain the established relationships. Work continues to rebuild and form new partnerships with the many, well-meaning, and open-hearted people in our community.

The details of the Charity's 45 volunteers who support the work are recorded in the Volunteers' Register. Opportunities for volunteers are many and varied including for those within the Volunteer Plus scheme, described above. At the year-end there were 7 clients in the Volunteer Plus programme.

Financial Review

The hiving up of the trading activity from the subsidiary company into the Charity was completed on 30 September 2020. This followed the decision to close 2 outlets which were draining financial reserves, despite the contribution they were making in providing employment and volunteering opportunities.

The occupancy of Andrew House by Alabaré Christian Care & Support - who had been granted a lease on the property to house their drug and alcohol rehabilitation work - came to a planned end in March of 2021. This has reduced the rental income to the charity, but it has allowed significant internal refurbishment to take place ahead of plans to reopen the house as an integral part of the Volunteer plus (V+) programme referred to above.

The forecasts that were prepared at the time of the restructure in 2021 indicated a modest surplus would be achieved in the year recently ended and it has been encouraging that the difficult decisions that were taken have led to sustained increases the results of our activities and the consequent survival of the Charity. The Trustees are pleased to be able to commend the staff for their willing involvement in this success.

The charity has been in the process of a transition from an organisation mainly led and managed by the trustees, to one where paid executives have taken over much of the day-to-day work of the ministry. A Chief Executive has also been appointed in recent weeks, further strengthening the executive team.

Loans, on generous interest-free terms, were made by several trustees or their associated organisations. These enabled the charity to buy Andrew House with the assistance of a mortgage from the previous owners and to support the trading activity during the period prior to the restructure.

Another impact of that transition is that new trustees are being recruited allowing founding trustees to step down. One of the trustees made a substantial gift to the charity to replace the loan he and his wife made some years ago, and this has further and significantly improved the year's financial results.

Other loans from trustees are being rescheduled allowing the Charity to complete the implementation of its services and organisational developments. The loan from the previous owners of Andrew House is expected to be replaced by a commercial mortgage in advance of the scheduled repayment due in September 2023.

The net result in the year to 30 September 2021 was a surplus of £161.7k, after accounting for the gift referred to above and providing for corporation tax on the trading income. The underlying surplus was £27.0k. A deficit of £167.2k was recorded in the 18 months period ended 30 September 2020 which



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included exceptional costs relating to the write-off the investment in the subsidiary of £208.2k. This means that the small underlying surplus has been maintained despite the challenges that have been encountered.

Significant plans for 2022 include the further development of the V+ programme; the reopening of Andrew House; a feasibility study to consider the development of the Community Hub and building on the continued improvements in the social enterprise.

Management of Risk

The trustees meet regularly and are sensitive to the risks which attend all charities (such as the risk of money laundering, and risks to its reputation), and to any special potential risks arising from the Charity's activities. During the year the Trustees were made aware of the importance of managing a Risk Register, and further work will be undertaken on its formulation in 2021-22.

Bulletins are regularly received from various sources which alert them to new risks or to new legislation which could require them to perform in ways of which otherwise they would be ignorant. Reference is made to the Charity Commission's Web pages for advice as required.

Until 31 March 2021, operational risks were limited due to the partnership working with Alabaré Christian Care & Support, who took day-to-day responsibility for running Andrew House. Since then, the Charity has been responsible for all risks associated with activity involving clients, and as reported earlier in the report a new Safeguarding policy has been commissioned. The appointment of a full-time manager for the V+ programme has assisted in exercising vigilance over the welfare of clients.

The main risks that fall to Changing Lives Charity are risks to the client group, financial risks, e.g. the social enterprise and future operation of Andrew House, the income and expenditure of the charity, and risks relating to property ownership. The short to medium-term risks around the repayment / refinancing of the debt that the Charity has taken on have been addressed, and form part of the Business and Investment Plan referred to earlier in this report.

Reserves Policy

The Reserves Policy, agreed on 21st November 2016, was reviewed during 2019. Whilst the refurbishment of the Charity's freehold property, Andrew House, Victoria Road, Clevedon is largely complete, the level of monthly running costs for the Charity has increased substantially from hiving-up the trading business. This combined with the relatively short-term nature of a portion of the Charity's debt, the Trustees believe that the policy of not setting an upper limit of cash reserves set in 2016 should remain for the time being.

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- the Charity holds free reserves as detailed in the financial statements.
- financial forecasts for the next 3 years anticipate a modest surplus thereby increasing the level of free reserves. The year to September 2022 is expected to record a deficit pending the full implementation of the V+ programme and reopening of Andrew House.
- the Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.
- the Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

Future Plans

During Q3 / Q4, 2020, the transformation of the social enterprise and its consolidation into the Charity took place. However, throughout this period and into early Q2, 2021, the impact of Covid-19 was still being felt with 2 lockdowns and the furlough of several staff for extended periods. Due to foresight and careful planning, the business was able to sustain itself at c 50% its usual monthly



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sales during this period of disrupted trading.

Further restructuring in March / April 2021 created the opportunity to appoint an experienced, full-time manager for Volunteer Plus who was appointed in May 2021. The Charity therefore reached a position with 2 part-time and 1 full-time senior managers acting as its executive able to oversee day-to-day operations without depending upon the Trustees for input. This level of sustainability is a major achievement and was a strategic objective set by the Trustees in April 2019.

Implementing the Charity's mission in the form of a) the full suite of therapeutic components for Volunteer Plus, b) the Community Hub in which to deliver the V+ programme and c) the residential component of V+ in Andrew House remains the future objective for the Charity. Excellent progress has already been made in formulating the details of the V+ programme with the support of local partners and all elements of the day programme are now ready to commence implementation.

The next stage in the development of the Community Hub is to find funding to undertake a Feasibility Study. It is hoped that this can be commenced during 2022.

The creation of the therapeutic community, to be based in Andrew House, has continued and following the appointment of the Community Leader in March 2022 has now reached the point at which it is preparing to receive its first residents.

The Trustees expectation is for the 'integrated offer' of Volunteer Plus to become available during the accounting period 2021-22, and, subject to funding, the concept for the Community Hub will be given greater substance.

Expression of thanks

The Trustees wish to express their sincere gratitude for the hard work and extraordinary level of commitment of all the employees, consultants and volunteers of the Charity.

The Trustees extend this expression of thanks to its partners and those special people who freely give their time and considerable expertise supporting the work of the Trustee Board as advisers.

Finally, the Trustees wish to thank the countless people of goodwill in North Somerset and beyond, who shop, donate and support the work of Changing Lives Charity in so many ways. Without the tireless efforts of everyone involved the Charity would not survive, let alone thrive.

As a Christian Charity, the Trustees also publicly acknowledge the providence of our Heavenly Father who, often through the Charity's stakeholders, provides for our every need.

Approved by the Board of Trustees on:

and signed on their behalf by:

D TOMLINSON

Date 04 July 2022



... giving hope and a future

CHANGING LIVES CHARITY

Independent Examiner's Report to the Trustees of Changing Lives Charity

I report to the charity trustees on my examination of the accounts of the Charitable Company for the year ended 30 September 2021.

Responsibilities and basis of report

As the charity's trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns, other than the matter set out below, and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Matter of concern identified

The Trustees' view on the impact of Covid-19 is disclosed in the Trustees' Report and in the accounting policies note. However, not all future events or conditions can be predicted. The Covid-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity.


Geoffrey Speirs FCA

Institute of Chartered Accountants in England and Wales
Haines Watts
Chartered Accountants
Bath House
6-8 Bath Street Bristol
BS1 6HL

5 July 2022

Date

CHANGING LIVES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account)

YEAR ENDED 30 SEPTEMBER 2021

		Year Ended 30.9.21 Unrestricted fund £	18 Month Period to 30.9.20 Total funds £
	Note		
Income from			
Trading income	2	317,491	-
Donations		154,986	20,406
Other income (Gift Aid)		2,118	1,602
Rental income		19,521	52,546
Income from investments		21	205
Grant income		79,615	25,000
		573,752	99,759
Expenditure on			
Trading cost of sales	3	44,050	5,000
Other trading costs	4	262,220	-
Loan interest on property		11,270	19,065
Charity administration costs	5	19,421	11,566
Fundraising activities		-	20,827
Charity property expenses	6	72,249	2,304
Other expenses - hiring up of subsidiary	10	-	208,160
		409,210	266,922
Net income (expenditure) before tax		164,542	(167,163)
Tax payable	18	2,887	-
Net income (expenditure)		161,655	(167,163)
Total funds brought forward		14,285	181,448
Total funds carried forward		175,940	14,285

CHANGING LIVES CHARITY (Registered number: 9517906)

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Note	2021 Unrestricted fund £	2020 Total funds £
FIXED ASSETS			
Tangible Fixed Assets	11	548,262	529,273
Investment in Changing Lives in Clevedon Limited		-	2
		548,262	529,275
CURRENT ASSETS			
Debtors	12	22,622	8,542
Cash at Bank		237,678	213,411
		260,300	221,953
CREDITORS			
Amounts falling due within one year	13	109,122	130,943
NET CURRENT ASSETS		699,440	620,285
CREDITORS			
Amounts falling due after more than one year	14, 15	523,500	606,000
TOTAL NET ASSETS		175,940	14,285
FUNDS			
Unrestricted Charitable Funds brought forward 1st October 2020		14,285	181,448
Surplus/(Deficit) for the year		161,655	(167,163)
Unrestricted Charitable Funds at 30th September 2021		175,940	14,285

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2021.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2020 in accordance with Section 476 of the Companies Act 2006.

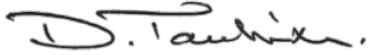
The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D. Tomlinson', with a stylized flourish at the end.

D TOMLINSON

[date] 04 July 2022

CHANGING LIVES CHARITY

STATEMENT OF CASH FLOWS AS AT 30 SEPTEMBER 2021

	<i>Note</i>	2021 £	2020 £
Cash flow from operating activities	16	184,729	(104,986)
interest paid		11,270	19,065
Net Cash flow from operating activities		195,999	(85,921)
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(22,962)	(8,339)
Net cash flow from investing activities		(22,962)	(8,339)
Cash flow from financing activities			
Repayment of loans		(137,500)	-
Increase in loans		-	134,000
Decrease in long term debtors		-	111,050
interest paid		(11,270)	(19,065)
Net cash flow from financing activities		(148,770)	225,985
Net increase/decrease in cash and cash equivalents		24,267	131,725
Cash and cash equivalents brought forward		213,411	81,686
Cash and cash equivalents carried forward		237,678	213,411
Cash and cash equivalents consist of;			
Cash at bank and in hand		237,678	213,411
short term deposits			

CHANGING LIVES CHARITY

NOTES TO THE FINANCIAL STATEMENTS PERIOD ENDED 30 SEPTEMBER 2021

1 ACCOUNTING POLICIES

Basis of Preparation

Changing Lives Charity is a company limited by guarantee without share capital use, registered in England and Wales. The financial statements of the charity, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

These financial statements are those of the parent company only and not that of the group, as the charitable parent company has taken advantage of the available exemptions not to prepare consolidated accounts.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. However, the Covid-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the charity. The trustees have considered the impact of this issue on the charitable company's current and future financial position. The charity holds unrestricted, general reserves of £178,827. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Incoming Resources

Income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, and it is probable that the income will be received and the amount can be measured reliably. Donations and gifts are accounted for when received. Income Tax reclaimed in relation to amounts received under gift aid is included in the same period as the income to which it relates.

Resources Expended

All resources expended are accounted for on an accruals basis.

Administration costs are apportioned to trading and charitable activities in line with the proportional split of income.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Not depreciated
Fixtures & fittings	-	3 years straight line
Motor vehicles	-	5 years straight line

All fixed assets are stated at purchase cost plus incidental expenses of acquisition.

No provision for depreciation has been made for freehold property as it is the view of the Trustees that the estimated residual value of each property is not materially different from the carrying value.

1 ACCOUNTING POLICIES - continued

Fund accounting

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

Taxation

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

Current tax is recognised in the SOFA on trading income at the amount payable using tax rates and laws that have been enacted or substantially enacted at the balance sheet date.

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

The charity has creditors which are measured at settlement amounts.

Financial instrument

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Donated goods and services

The value of services provided by volunteers is not incorporated into the financial statements.

Where goods or service are provided to the charity as a donation that would normally be purchased from suppliers, the contributions are included in the financial statements as an estimate based on the value of the contribution.

Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

2	TRADING INCOME	2021	2020
		£	£
	Sales	144,232	-
	Bulk waste	77,144	-
	House clearance	40,390	-
	Auction sales	5,479	-
	Delivery	4,659	-
	Welfare Provision Scheme	42,159	-
	other	3,428	-
		317,491	-
3	TRADING COST OF SALES		
	Cost of good sold	29,426	-
	Direct expenses	13,995	-
	Welfare Provision Scheme installation	629	-
	Stock write down		5,000
		44,050	5,000
4	OTHER TRADING COSTS		
	Advertising & Marketing	4,565	-
	Bank Fees	990	-
	Consulting/Professional Fees	14,201	-
	Depreciation Expense	3,973	-
	Employers NI	2,368	-
	Food & Drink	789	-
	General Expenses	13,324	-
	IT Software and Consumables	3,914	-
	Motor Vehicle Expenses	9,411	-
	Operating Lease Payments	11,216	-
	Pensions Costs	1,553	-
	Printing, Stationery and postage	378	-
	Salaries	159,139	-
	Staff Training	5,009	-
	Subscriptions	574	-
	Telephone & Internet	2,886	-
	Travel - National	3,883	-
		238,173	-
	Apportionment of charity administration costs	24,047	-
		262,220	-

5 CHARITY ADMINISTRATION COSTS

Audit & Accountancy fees	6,718	2,067
Employers NI	263	562
General Expenses	1,480	-
Insurance	6,909	-
IT Software and Consumables	3,914	29
Pensions Costs	173	148
Rent	2,090	-
Repairs & Maintenance	737	-
Salaries	17,682	6,751
Subscriptions, postage and stationery	616	2,009
Telephone & Internet	2,886	
	43,468	11,566
less; apportionment to trading costs	(24,047)	
	19,421	11,566

6 CHARITY PROPERTY EXPENSES

Insurance	6,909	2,304
Light, Power, Heating	9,657	-
Rates	1,971	-
Rent	39,713	-
Repairs & Maintenance	13,999	-
	72,249	2,304

7 STAFF COSTS

Wages and salaries	176,821	6,751
Social security costs	2,631	562
Pension costs	1,726	148
	181,178	7,461

The average number of employees during the period was 12 (2020 -less than 1).

8 TRUSTEE REMUNERATION AND BENEFITS

No Director/Trustee has received any remuneration for services as a Director/Trustee in either period. There were no trustees' expenses paid for the year ended 30 September 2021 nor for the period ended 30 September 2020.

9 INDEPENDENT EXAMINER'S REMUNERATION

The independent examiner's remuneration consists of the following:

	2021	2020
	£	£
For independent examination	984	960
For other services	-	1,290
	984	2,250

10 OTHER EXPENSES

	2021	2020
	£	£
Hiving up of subsidiary	-	208,160
	<u>-</u>	<u>208,160</u>

At the prior year end, the trading subsidiary, Changing Lives in Clevedon Limited, was hived up into the charitable company. Net liabilities of £208,160 were subsumed into the charity.

11 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
COST				
As at 30 September 2020	520,934	1,439	6,900	529,273
Additions	-	2,745	20,217	22,962
As at 30 September 2021	<u>520,934</u>	<u>4,184</u>	<u>27,117</u>	<u>552,235</u>
DEPRECIATION				
As at 30 September 2020	-	-	-	-
Charge	-	701	3,272	3,973
As at 30 September 2021	<u>-</u>	<u>701</u>	<u>3,272</u>	<u>3,973</u>
NET BOOK VALUE				
As at 30 September 2021	<u>520,934</u>	<u>3,483</u>	<u>23,845</u>	<u>548,262</u>
As at 30 September 2020	<u>520,934</u>	<u>1,439</u>	<u>6,900</u>	<u>529,273</u>

12 DEBTORS

	2021	2020
	£	£
Trade debtors	6,483	6,739
Other debtors and prepayments	16,139	1,803
	<u>22,622</u>	<u>8,542</u>

13 CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Loans from Directors/Trustees	50,000	105,000
Trade creditors	15,784	6,833
Tax	2,887	-
Social security and other taxes	4,465	4,402
Other creditors and accruals	30,385	8,757
Van loans	5,601	5,951
	<u>109,122</u>	<u>130,943</u>

Included in other creditors is £860 (2020: £588) in relation to pension contributions owing.

14 CREDITORS: Amounts falling due after more than one year

	2021	2020
	£	£
Loans from Directors/Trustees		
Over 5 years	65,500	53,500
Over 1 year, under 5 years	5,000	149,500
Company loan		
Over 1 year, under 5 years	60,000	81,000
Over 5 years	71,000	-
Mortgage loan on property repayable under 5 yrs	322,000	322,000
	523,500	606,000

15 RELATED PARTY TRANSACTIONS

The charity has received loans from trustees as follows;

		2021	2020
		£	£
Arden Resources*	Repayable in less than 1 year	-	100,000
Keystone Projects & Management Limited**	Repayable in less than 1 year	50,000	-
Terry Mears	Repayable in less than 1 year	-	5,000
Terry Mears	Repayable in over 1 year	5,000	-
Arden Resources*	Repayable in over 1 year	-	10,000
Keystone Projects & Management Limited**	Repayable in over 1 year	60,000	
Jeff Peacock	Repayable in over 1 year	-	50,000
Ray Wilson	Repayable in over 1 year	-	90,000
Arden Resources*	Repayable in over 5 years	-	71,000
Keystone Projects & Management Limited**	Repayable in over 5 years	71,000	-
Jeff Peacock	Repayable in over 5 years	65,500	15,500
Ray Wilson	Repayable in over 5 years	-	47,500
		251,500	389,000

* From Arden Resources Limited (of which David Tomlinson, a Trustee of Changing Lives Charity, is a director and 30% shareholder)

* From Keystone Projects & Management Limited (of which David Tomlinson, a Trustee of Changing Lives Charity, is a director and shareholder)

The above concessionary loans are not secured and are interest free.

Within 1 year	-	105,000
Between 1 and 5 years	5,000	150,000
Over 5 years	65,500	134,000
	70,500	389,000

16 ACTIVITIES

	2021	2020
	£	£
Net income / (expenditure) for year / period	161,655	(167,163)
Depreciation and impairment of tangible fixed assets	3,973	-
Write off investment	2	40,000
(Increase) / decrease in debtors	(14,080)	1,458
Increase / (decrease) in creditors	33,179	20,719
Net cash flow from operating activities	184,729	(104,986)

17 COMPANY LIMITED BY GUARANTEE

The charity is a private company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charity in the event of the company being wound up.

18 TAXATION

	2021	2020
	£	£
Current tax:		
UK corporation tax	2,887	-
Tax on trading profit	2,887	-

CHANGING LIVES CHARITY

England & Wales - Charity number 1161892

Accounts



... giving hope and a future

CHANGING LIVES CHARITY

Trustees' Annual Report & Financial Statements for the period ended 30 September 2020

A Company Limited by Guarantee and a Registered Charity

Company Registration No 9517906

Charity Registration No 1161892

CHANGING LIVES CHARITY

Trustees' Annual Report & Financial Statements

for the period ended 30 September 2020

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CHANGING LIVES CHARITY

Report of the Trustees

For the period ended 30 September 2020

OFFICERS AND PROFESSIONAL ADVISERS

Company Number	9517906
Charity Number	1161892
Registered Office	Unit 2a, Kimberley Road Clevedon, North Somerset BS21 6QJ
Directors and Trustees	Ian Burnham FCA Chris Hibbs Sarah Luckwell (until 17 July 2020) Terry Mears (Charity Secretary) Jeff Peacock David Tomlinson (Chair) Ray Wilson CBE
Bankers for Changing Lives Charity	CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill. West Malling, Kent ME19 4JQ
Bankers for Subsidiary Companies	Lloyds Bank plc (Changing Lives in Clevedon Limited) and Santander UK plc (Business4Mission Limited)
Independent Examiner	Haines Watts Chartered Accountants Bath house 6-8 Bath Street Bristol BS1 6HL
Other Professional Advisors	
Business Strategy & Communications	Jade Wicks, Doeth Marketing Ltd, Linden Road, Clevedon BS21 7SL
IT & Web Solutions	Worthers Ltd, Long Barn, Folly Farm, Tickenham, Bristol BS21 6RY

CHANGING LIVES CHARITY

Report of the Trustees for the period ended 30 September 2020

The Trustees are pleased to present their Report together with the Financial Statements of the Charity for the period ended 30 September 2020. It should be noted that the 2019-20 accounting period was extended by 6 months on 20 June 2020, the revised end date being 30 September 2020. This created a reporting period of 18 months duration starting in April 2019.

The Financial Statements comply with the requirements of the Charities Act 2011, the Companies Act 2006, the Articles and Memorandum of Association of the Company and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Charitable Object

The Object of the Charity is for the public benefit, “the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage”. Included in the Articles of Association are the powers to make grants, donations, or loans to organisations which further the aims of Changing Lives Charity.

Vision

The vision is to serve the needs of a wide range of marginalised men, women, and young people from a variety of backgrounds who face barriers to employment and a fulfilling, independent life. We shall do this by:

- providing high quality, workplace training and employment opportunities (by volunteering) to equip them to assume a fulfilling life in the community
- providing access to a range of therapeutic support including a mentor, to facilitate their recovery
- expanding the social enterprise activities to finance additional services for those in need of help.
- offering suitable, safe, supported accommodation to those joining the work-based recovery programme

Mission

During the period, the Charity has become better informed about the root cause for most of those exhibiting chaotic and damaging behaviours associated with substance abuse, serial offending, violence, and homelessness. It is now becoming accepted in the UK that chronic, toxic trauma in early years, e.g., abuse (of all types), neglect and loss of a significant person / carer, is the prime causal factor. These experiences result in lasting physiological and psychological damage leading to permanent health, relational, and social disadvantage. The Charity has reaffirmed its aim to enable those affected to live independent and fulfilling lives.

Volunteer Plus is a workplace programme of volunteering, education and training combined with supportive therapeutic input and the offer of a mentor to accompany the client throughout the programme and beyond. This employability programme is composed of elements that have also been shown to facilitate permanent change, personal development, and improved health outcomes. The aim of the programme is to equip the person for independent living, employment, and a fulfilling life.

The purpose of a residential component, currently envisaged in Andrew House, Clevedon is to provide safe, supported housing for eligible participants of Volunteer Plus. It also provides a greater level of support available only within a close community such as the House can provide. This provision is relevant for those who wish to join the programme who currently live remotely from Clevedon, have no satisfactory accommodation or need to escape the damaging social networks to which they currently belong to enable recovery to take firm root.

Achievements in the period

During the period the Trustees have made and implemented a number of progressive decisions in furtherance of the Charity's Object. The chief aim has been to plan and begin to deliver the Vision set out above. To do this, the Trustees have worked to identify and make progress in developing appropriate therapeutic support for their clients, and to improve the viability of the trading arm (Changing Lives in Clevedon Limited). The following commentary sets out progress so far:

1. Mission

1.1 Launched in the Summer of 2019 the Volunteer Plus (V+) scheme saw the introduction of this workplace, education, training, and employment (volunteering) programme, based in the Charity's trading arm. A key advantage of V+ is that the number of clients is not restricted to the capacity of Andrew House, the current source of accommodation.

Much thought and research into the needs of people in recovery has been undertaken, in parallel with the development of the V+ scheme, and by November 2019 the Trustees had decided that a much more integrated approach to effectively support those in recovery had to be adopted.

The further work undertaken in early 2020 to define with greater clarity the identity of those most likely to be the Charity's beneficiaries concluded that 'childhood trauma' is the dominant factor resulting in the chaotic, socially disruptive and self-harming behaviours in those we seek to help. 'Trauma survivor' became the defining client group for Changing Lives.

It became apparent that the V+ programme would become the encompassing service the Trustees wished to develop. In June 2020, a Director of Programmes was appointed to be responsible for the continuing development and implementation of this ministry.

1.2 Andrew House forms an important part of the developing ministry programme, and will integrate with V+, offering the benefits of a therapeutic community for those who require this level of support. Following discussion with Alabaré Christian Care & Support in the autumn of 2019, it was concluded that the service Changing Lives Charity wished to be provided did not fit with Alabaré's core model of supported housing, and by mutual agreement it was decided to bring an end to this partnership.

The advent of the Covid-19 pandemic interrupted progress towards the transfer of the staff and residents to the Charity planned for 01 April 2020. Alabaré offered to continue to operate in the House. This was the situation at the 30 September 2020, and by then plans were made for Alabaré to transfer to a new location and provide vacant possession of the House to the Charity at the end of March 2021, which was successfully accomplished.

On behalf of Changing Lives and the community of Clevedon, the Trustees wish to express their deep and lasting gratitude for the massive contribution that the staff, volunteers and trustees of Alabaré Christian Care & Support have made to the town of Clevedon and to the lives of many people who have enjoyed the safety and care received in Andrew House over the last 20 years.

1.3 The fresh vision and inspiration arising from work by Trustees, aided by professional support, resulted in adopting the concept of a Christ-centred 'Community Hub' defined as follows:
"an inspirational destination space with retail space, community café, work-shop / learning space and a productive walled garden. Changing Lives Charity is a unique project leading the way in transformative healing programmes."

The Warehouse in Kimberley Road, Clevedon is currently under consideration as the means of accommodating the Community Hub.

2. Trading activity of the Charity (Changing Lives in Clevedon Limited)

Extensive measures to improve the performance of the trading company that had taken place in the previous year continued, and significant improvements to its profitability have been achieved despite the challenges of the C-19 pandemic.

Restructuring of the management of the Company remained under active consideration. During the year the opportunity presented itself to implement changes to the scope of the trading activity and the corporate structure of the Charity, so that in September 2020 the assets and liabilities of the wholly owned trading entity were hived-up into the Charity along with the transfer of supply and customer relationships and employment contracts.

In anticipation of this event, and to simplify fiscal and business matters, the Charity's reporting period was extended to 30 September.

3. Fiscal diligence

All expenditure during the period 2019-2020 was for the public benefit in accordance with the Object of the charity.

4. Resources

The Churches and the wider community in Clevedon and the surrounding area continues to be a significant contributor to the Charity, in terms of both financial and practical support. The Charity has met all its financial responsibilities and remains financially viable. Opportunities for attracting financial support through the use of Web-based tools and social media have been exploited, and Total Giving provides an easy means of donating to the charity. In August 2019 the first payment was received of a three-year grant from a large charitable foundation towards the Charity's core costs.

5. Structure, Governance & Administration

The Charity is governed by its Memorandum and Articles of Association, signed by all formation Trustees on 16 March 2015. The Charity is also a Company limited by guarantee without shares. It was incorporated on 30 March 2015.

The Trustees are determined to ensure good practice is followed and are aware of their obligation to abide by charity and other relevant law.

Early in the year the Data Protection Act 2018 Policy was approved, and the designated officers identified. Also, the designated officers for the Safeguarding Policy were identified. The developments of the ministry of the Charity resulted in the need to review and revise the Safeguarding Policy. This work has carried over into the 2020-21 reporting period.

6. Public Benefit

The Trustees confirm that they have fulfilled their duty to have due regard to compliance with the guidance on public benefit rules.

7. Training for Trustees

Local training has been undertaken by reference to the obligations of trustees and the need for planned retirement of trustees. Further opportunities through the availability of appropriate study days and conferences are monitored and used. Vigilance over potential benefit and value for money is maintained.

8. Volunteers

Volunteers are essential to the wellbeing and sustainability of the Charity. The Trustee's desire is to engage with the widest variety of people of goodwill in our community and to help them serve each other by this means whilst meeting their own needs for fulfilment, companionship, and a sense of 'giving-back'.

The Charity has a significant number of volunteers although the C-19 pandemic has made it more difficult to sustain the established relationships. Work continues to rebuild and form new partnerships with the many, well-meaning people in our community.

The details of the Charity's volunteers are recorded in the Volunteers' Register. Opportunities for volunteers are many and varied including for those within the Volunteer Plus scheme.

9. Financial Review

The significant changes outlined above (the development of the V+ programme, the plan to have a greater influence in the running of Andrew House and the reordering of our trading operation) have had a major impact on the Charity's finances. The impact of the Coronavirus (C-19) Pandemic has also affected our financial situation.

The trading through our charity shops had been running at a loss, and despite the important contribution this element of the work made to providing employment and volunteering opportunities, the level of these losses was not sustainable. A review of these activities was carried out late in 2019 and changes were being considered at the time of the first C-19 lockdown in early 2020.

These were commenced in June 2020 and concluded at the end of September when agreements were reached with our landlords and 2 of our retail outlets were shut down. During the lockdown, staff were placed on furlough and we were the recipients of government support via the Retail, Hospitality and Leisure Grant.

The altered trading structure was implemented from close of business on 30 September 2020 and we concluded it was appropriate to make that our "year-end" thus aligning the accounts to separate the new from the old structure. This change in the date of the year-end applied to the charity as well as the trading subsidiary.

Plans had also been in hand to take over the operation of Andrew House in March 2020. It was agreed with our partners (Alabaré Christian Care & Support) that this would also be deferred for a year as progress was hindered by the circumstances at the time.

With the closure of much of our trading activity, we concluded that all of our work / mission could be achieved through a single entity and the assets and liabilities of the trading subsidiary were hived-up into the charity at 30 September. Therefore, these accounts cover the 18-month period from 01 April 2019 to 30 September 2020 and reflect the changes referred to above.

The Charity's financial performance for the 18-month period was similar to previous years, but the write off of the cost of the subsidiary of £208.2k created a deficit of £167.2k.

We are pleased to report that the altered structure has generated a small surplus in the 7 months since 01 October 2020 despite the further interruptions of lockdown and the subsequent intermittent trading.

10. Management of Risk

The trustees meet regularly and are sensitive to the risks which attend all charities (such as the risk of money laundering, and risks to its reputation), and to any special potential risks arising from the Charity's activities.

Bulletins are regularly received from various sources which alert them to new risks or to new legislation which could require them to perform in ways of which otherwise they would be ignorant. Reference is made to the Charity Commission's Web pages for advice as required.

Operational risks have been limited due to the partnership working with Alabaré Christian Care & Support, who have taken day-to-day responsibility for running Andrew House.

The purchase of Changing Lives in Clevedon Limited, that took place in the period 2017-2018, was a major undertaking. The responsibility for financial performance of the business has rested with the Senior Managers and Directors of the Company. Regular, detailed reports on performance of the business are required from the Directors to ensure that the financial well-being of the Company and the sustainability of the Charity is maintained and enhanced. This function of the Charity, due to the changes in its structure, is now under review.

The main risks that fall to Changing Lives Charity are therefore financial risks, e.g. overseeing the trading activity of the subsidiary, the income and expenditure of the charity, risks relating to property ownership and the short to medium-term risks around the repayment / refinance of the debt that the Charity has taken on, for which a sustainable financing strategy is under active consideration.

11. Reserves Policy

The Reserves Policy, agreed on 21st November 2016, was reviewed during 2019. Whilst the refurbishment of the Charity's freehold property, Andrew House, Victoria Road, Clevedon is largely complete, the level of monthly running costs for the Charity has increased substantially from hiving-up the trading business. This combined with the relatively short-term nature of a portion of the Charity's debt, the Trustees believe that the policy of not setting an upper limit of cash reserves set in 2016 should remain for the time being.

The Trustees consider that the Charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- the Charity holds free reserves as detailed in the financial statements (p11);
- financial forecasts up to 30 September 2022 demonstrate a modest surplus for the current period thereby increasing the level of free reserves;
- the Trustees will extend the Charity's programme to its beneficiaries only following careful consideration of the financial impact on the Charity.

The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

12 Future Plans

During Q3 / Q4, 2020, the transformation of the trading business and its consolidation into the Charity took place. However, throughout this period and into early Q2, 2021, the impact of Covid-19 was still being felt with 2 lockdowns and the furlough of several staff for extended periods. Due to foresight and careful planning, the business was able to sustain itself at c 50% of its usual monthly sales during this period of disrupted trading.

Further restructuring in March / April 2021 created the opportunity to appoint an experienced, full-time manager for Volunteer Plus in May 2021. The Charity therefore reached a position with 2 part-time and 1 full-time senior managers acting as its executive able to oversee day-to-day operations without depending upon the Trustees for input. This level of sustainability is a major achievement and was a strategic objective set by the Trustees in April 2019.

Implementing the Charity's mission in the form of a) the full suite of therapeutic components for Volunteer Plus, b) the Community Hub in which to deliver the V+ programme and c) the residential component of V+ in Andrew House remains the future objective for the Charity. Excellent progress has already been made in formulating the details of the V+ programme with the support of local partners and all elements of the day programme are now ready to commence implementation.

The development of the Community Hub and the therapeutic community, likely to be based in Andrew House, present greater challenges. The concepts and a broad strategy for implementation has been identified and agreed by the Trustees. Further work is actively being pursued with the support of a consultant experienced in both creating and operating similar facilities nearby in Somerset.

The Trustees expectation is for the 'integrated offer' of Volunteer Plus to become available from the end of the accounting period 2020-21, and, subject to funding and a suitable building for the Hub, the residential component of V+ and the Community Hub planned for implementation in accounting period 2021-22.

13 Expression of thanks

The Trustees wish to express their sincere gratitude for the hard work and extraordinary level of commitment of all the employees, consultants and volunteers of the Charity. The Trustees extend this expression of thanks to its partners and those special people who freely give their time and considerable expertise supporting the work of the Trustee Board as advisers. Finally, the Trustees wish to thank the countless people of goodwill in North Somerset and beyond, who shop, donate and support the work of Changing Lives Charity in so many ways. Without the tireless efforts of everyone involved the Charity would not survive, let alone thrive.

As a Christian Charity, the Trustees also publicly acknowledge the providence of our Heavenly Father who, often through the Charity's stakeholders, provides for our every need.

Approved by the Board of Trustees

and signed on their behalf by

D TOMLINSON

15 June 2021

CHANGING LIVES CHARITY

Independent Examiner's Report to the Trustees of Changing Lives Charity

I report on the accounts for Changing Lives Charity for the 18 months ended 30 September 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns, other than the matter set out below, and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Matter of concern identified

The Trustees' view on the impact of Covid-19 is disclosed in the Trustees' Report and in the accounting policies note. However, not all future events or conditions can be predicted. The Covid-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity.

Geoffrey Speirs FCA
Institute of Chartered Accountants in England and Wales
Haines Watts
Chartered Accountants
Bath House
6-8 Bath Street
Bristol
BS1 6HL

15 June 2021

CHANGING LIVES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES and INCOME & EXPENDITURE ACCOUNT

PERIOD ENDED 30 SEPTEMBER 2020

	Note	Period 1.4.19 to 30.9.20 £	Year Ended 31.3.19 £
Incoming Resources			
Donations		20,406	51,751
Other income (Gift Aid)		-	1,396
Fundraising		-	4,984
Rental income		52,546	27,600
Income from investments		1,807	80
Grant income		25,000	(563)
Total incoming resources		99,759	85,248
Resources Expended			
Direct costs		5,000	-
Grants paid out		-	288
Loan interest on property		19,065	12,960
Administration costs		11,566	5,269
Fundraising Activities		20,827	613
Property Expenses		2,304	30,989
Other expenses	4	208,160	-
Total Resources Expended		266,922	50,119
Net income		(167,163)	35,129
Balance brought forward at 1 April 2019		181,448	146,319
Balance carried forward at 30 September 2020		14,285	181,448

CHANGING LIVES CHARITY

BALANCE SHEET AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible Fixed Assets	5	529,273	520,934
Investment in Changing Lives in Clevedon Limited		2	40,002
		<u>529,275</u>	<u>560,936</u>
CURRENT ASSETS			
Debtors	6	8,542	10,000
Cash at Bank		213,411	81,686
		<u>221,953</u>	<u>91,686</u>
CREDITORS			
Amounts falling due within one year	7	<u>130,943</u>	<u>5,224</u>
NET CURRENT ASSETS		620,285	647,398
DEBTORS			
Amounts falling due after more than one year	8	-	111,050
CREDITORS			
Amounts falling due after more than one year	9	606,000	577,000
TOTAL NET ASSETS		<u>14,285</u>	<u>181,448</u>
FUNDS			
Unrestricted Charitable Funds		<u>14,285</u>	<u>181,448</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 30 September 2020.

The members have not required the company to obtain an audit of its financial statements for the period ended 30 September 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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 and were signed on its behalf by:

D TOMLINSON

15 June 2021

CHANGING LIVES CHARITY

NOTES TO THE FINANCIAL STATEMENTS PERIOD ENDED 30 SEPTEMBER 2020

1 ACCOUNTING POLICIES

Basis of Preparation

Changing Lives Charity is a company limited by guarantee without share capital use, registered in England and Wales. The financial statements of the charity, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

These financial statements are those of the parent company only and not that of the group, as the charitable parent company has taken advantage of the available exemptions not to prepare consolidated accounts.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. However, the Covid-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the charity. The trustees have considered the impact of this issue on the charitable company's current and future financial position. The charity holds unrestricted, general reserves of £14,285. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

Incoming Resources

Income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, and it is probable that the income will be received and the amount can be measured reliably. Donations and gifts are accounted for when received. Income Tax reclaimed in relation to amounts received under gift aid is included in the same period as the income to which it relates.

Resources Expended

All resources expended are accounted for on an accruals basis.

Tangible fixed assets valuation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	-	Not depreciated
Fixtures & fittings	-	3 years straight line
Motor vehicles	-	5 years straight line

All fixed assets are stated at purchase cost plus incidental expenses of acquisition.

No provision for depreciation has been made for freehold property as it is the view of the Trustees that the estimated residual value of each property is not materially different from the carrying value.

Fund accounting

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

1 ACCOUNTING POLICIES - continued

Taxation

No charge to taxation arises in respect of any of the activities of the Company by reason of its charitable status.

Debtors

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

The charity has creditors which are measured at settlement amounts.

Financial instrument

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Donated goods and services

The value of services provided by volunteers is not incorporated into the financial statements.

Where goods or service are provided to the charity as a donation that would normally be purchased from suppliers, the contributions are included in the financial statements as an estimate based on the value of the contribution.

Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

2 STAFF COSTS AND TRANSACTIONS WITH DIRECTORS

No staff costs were incurred in either year and no Director/Trustee has received any remuneration for services as a Director/Trustee in either year.

The average number of employees during the period was less than 1 (2019 - nil).

3 INDEPENDENT EXAMINER'S REMUNERATION

The independent examiner's remuneration consists of the following:

For independent examination	2,250	850
	<u>2,250</u>	<u>850</u>

4 OTHER EXPENSES

Hiving up of subsidiary	208,160	
	<u>208,160</u>	<u>-</u>

At the year end, the trading subsidiary, Changing Lives in Clevedon Limited, was hived up into the charitable company. Net liabilities of £208,160 have been subsumed into the charity.

5	TANGIBLE FIXED ASSETS	Freehold Land & Buildings	Fixtures & Fittings	Motor Vehicles	Total
	COST				
	As at 1 April 2019	520,934	-	-	520,934
	Additions - hived up from subsidiary	-	1,439	6,900	8,339
	As at 30 September 2020	520,934	1,439	6,900	529,273
	DEPREICATION				
	As at 1 April 2019	-	-	-	-
	Charge	-	-	-	-
	As at 30 September 2020	-	-	-	-
	NET BOOK VALUE				
	As at 30 September 2020	520,934	1,439	6,900	529,273
	As at 31 March 2019	520,934	-	-	520,934
				2020 £	2019 £
6	DEBTORS				
	Trade debtors			6,739	-
	Other debtors and prepayments			1,803	10,000
				8,542	10,000
7	CREDITORS: Amounts falling due within one year				
	Loans from Directors/Trustees			105,000	-
	Trade creditors			6,833	-
	Social security and other taxes			4,402	-
	Other creditors and accruals			8,757	474
	Van loans			5,951	4,750
				130,943	5,224
	Included in other creditors is £589 (2019: nil) in relation to pension contributions owing.				
8	DEBTORS: Amounts falling due after more than one year				
	Loan to Changing Lives in Clevedon Limited				
	Over 1 year, under 5 years			-	111,050
				-	111,050
9	CREDITORS: Amounts falling due after more than one year				
	Loans from Directors/Trustees				
	Over 5 years			53,500	50,000
	Over 1 year, under 5 years			149,500	90,000
	Company loan (over 1 year, under 5 years)			81,000	100,000
	Mortgage loan on property repayable under 5 yrs			322,000	322,000
	Other creditor due 31 March 2019			-	15,000
				606,000	577,000

10 RELATED PARTY TRANSACTIONS

The charity (and trading subsidiary in 2019) has received loans from trustees as follows;

		2020	2019
		£	£
Arden Resources*	Repayable in less than 1 year	100,000	
Terry Mears	Repayable in less than 1 year	5,000	
Arden Resources*	Repayable in over 1 year	10,000	100,000
Terry Mears	Repayable in over 1 year		5,000
Jeff Peacock	Repayable in over 1 year	50,000	50,000
Ray Wilson	Repayable in over 1 year	90,000	90,000
Arden Resources*	Repayable in over 5 years	71,000	55,000
Jeff Peacock	Repayable in over 5 years	15,500	15,500
Ray Wilson	Repayable in over 5 years	47,500	37,500

* From Arden Resources Limited (of which David Tomlinson, a Trustee of Changing Lives Charity, is a director and 30% shareholder)

The above concessionary loans are not secured and are interest free.