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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

CONTENTS

Page

Officers and Professional Advisers

3

Annual Report of the Trustees

4 - 9

Independent Examiner's Report

10

Statement of Financial Activities

11

Balance Sheet

12 – 13

Notes to the Financial Statements

14 - 20



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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



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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