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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

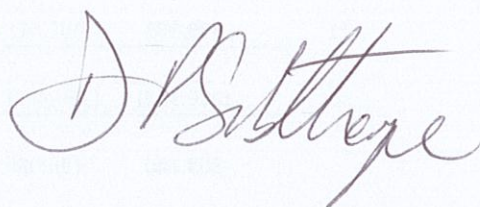
AS AT 30 SEPTEMBER 2024

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	 27:73
		652,207	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
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	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
	<u>22,931</u>	<u>23,443</u>

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
	<u>339,903</u>	<u>462,611</u>

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

CHANGING LIVES CHARITY
NOTES TO THE FINANCIAL STATEMENTS
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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	<u>65,500</u>	<u>65,500</u>
	<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
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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)