



LifeCare (Edinburgh) Limited
Trading as LifeCare
Financial Statements
31 March 2022
Registered Number SC286315
Charity Number SC012641

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Reference and Administrative Details

Charity Name	LifeCare (Edinburgh) Limited	
Trading Style	LifeCare	
Charity Registration Number	SC012641	
Company Registration Number	SC286315	
Board of Trustees	Beverley M Francis (Chairperson from 1 March 2022) James Miller (Chairperson until 1 March 2022) Elaine Aitken M N Evans (resigned 26 October 2021) Jane A Hogg (appointed 19 January 2022) Lynsey Kerr Mary-Clare Macfarlane Richard Mackie Susan J Mallinder (appointed 19 January 2022) Christopher J Paton (appointed 16 April 2022) Momin Bin Rasheed (appointed 16 April 2022) ZM Sheikh (resigned 10 December 2021) C Symes (resigned 31 August 2021)	
Registered Office and Head Office	2 Cheyne Street Edinburgh EH4 1JB	
Auditors	Henderson Loggie LLP 11-15 Thistle Street Edinburgh EH2 1DF	
Bankers	Clydesdale Bank plc 50 Lothian Road Edinburgh EH1 2ZH	
Solicitors	Shoosmiths LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2EN	Lindsays Solicitors Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE
Investment Managers	Brewin Dolphin 6 th Floor, Atria one 144 Morrison Street Edinburgh EH3 8BR	

Trustees' Annual Report

The principal objects for which the Company is established are to promote, provide, support and assist in the care and welfare of older persons and carers in the City of Edinburgh, its Environs and throughout Scotland (by maintaining, developing and providing care, support and community services and facilities which meet the evolving needs of older persons and carers, including inter-generational work) and to fulfil the following charitable purposes:

Objectives and activities –

Per the Articles of Association, “The Company provides direct public benefit by fulfilling the following charitable purposes in furtherance of the Company’s objectives:

- a) the relief and support of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage (including by the provision of accommodation or care);
- b) the provision of recreational facilities, and/or the organisation of recreational activities, which are primarily intended for persons who have need of them by reason of age, ill-health, disability, financial hardship or other disadvantage, but which are available to members of the public at large.
- c) the promotion of health and wellbeing and the relief of suffering.
- d) the promotion of education, the arts, heritage, culture, or science.”

The activities undertaken in relation to the furtherance of those objectives are as follows:

Registered Care – Services Registered with The Care Inspectorate

- Centre-based day care services are for older people, assessed for the service by recognised care professionals, who are housebound, experience significant loneliness and isolation, have multiple co-morbidities, have a diagnosis of dementia and/or who are physically frail. Additionally, our three centre-based day care services provide relief care and support for carers by providing short breaks in a quality care, safe and supervised environment with staff who are appropriately qualified and trained.
 - 176 service places are available weekly, no less than 50 weeks of the year.
 - Of these 176 places, 128 are contracted and are part-funded by the City of Edinburgh Council. The City of Edinburgh Council require for all centre-based day care provision funded or part-funded by it, that all older people pay a daily standardised contribution towards the cost of that service. This applies to accessing a contracted place or a non-contracted place. This standardised contribution is reviewed annually by the City of Edinburgh Council. Due to COVID 19 restriction the days centres have remained closed reopening on a reduced basis from August 2021. The City of Edinburgh have continued to provide the contracted funding and significantly reduced client contribution have also been received
 - For the 48 centre-based day care weekly places which are not contracted by the City of Edinburgh Council, LifeCare must annually seek to meet these costs in full in addition to meeting the funding shortfall of the 128 part-funded contracted places across each of its three registered day care services.
 - The Cottage – dementia care – 50 places available per week, Monday to Friday. Of these, 42 are part funded by the City of Edinburgh Council and 13 places were funded by sponsorship, community fundraising activities and LifeCare. They have been able to provide 18 places per week initially over 3 days and from January 2022 30 places per week over 5 days.
 - St. Bernard’s – dementia care – 60 places available per week, Monday to Friday. Of these, 50 are part funded by the City of Edinburgh Council, 10 places were supported by community fundraising activities and LifeCare. They have been able to provide 18 spaces per week over 3 days rising to 27 space per week as COVID restriction have eased.

Trustees' Annual Report *(continued)*

Objectives and activities *(continued)*

Registered Care – Services Registered with The Care Inspectorate *(continued)*

- The Dean – frail care - 54 places available per week, Tuesday to Thursday. 45 places are part funded by the City of Edinburgh Council; 9 places are supported from community fundraising activities and LifeCare Reserves. They have been able to provide 12 places per week rising to 18 places per week over 2 days as per COVID restrictions
- Outreach Service (Care at Home) is for older people who have been assessed for this service which delivers registered care in people's homes who are housebound, experience significant social isolation and loneliness, are frail, have multiple co-morbidities, and/or with a diagnosis of dementia. Our Outreach Service also supports carers and their families by providing respite, care and other support. The Outreach Service does not receive any public funding. People contribute towards the cost of care. LifeCare must seek to meet service funding shortfalls annually through its fundraising activities.

Duty of Candour – 1 complaint, 1 resolved complaint. No duty of candour issues.

Support Services for Older People and Carers

- Help at Home helps people living with dementia, poor health and/or mobility to remain at home longer by providing practical support. This could be shopping, house cleaning, laundry, meal preparation etc which people no longer have the ability to undertake by themselves. The Help at Home Service does not receive any public funding and so people are asked to make a contribution towards this service. LifeCare must seek to meet service funding shortfalls annually through its fundraising activities.
- Meals on Wheels delivers freshly prepared, nutritious, hot and ready to eat meals to people over 50 with health and/or support needs in North Edinburgh and Leith. The Café Life team produce menus and prepare all the meals, the Help at Home team deliver the meals to clients at their homes. The service was funded by Barclays Covid-19 UK 100x100 Community Relief Fund from September 2020 to August 2021. From September 2021 the service was launched with a new model to be sustainable long term. Clients now pay a monthly charge for the service, with subsidised places provided for clients on low incomes. The shortfall is made up by fundraising.
- Café Life is our community café and receives no public funding directly for its activities. Our Day Centre clients enjoy visiting it for lunch, joining in events held there and engage with and be a part of our community. When not being otherwise used the café space is available to be booked by our broad customer and community user base.
- The LifeCare Centre (Stockbridge House) is our community centre, incorporating the Café Life space. As with our community café, people from all equality groups in the community use the Centre and our different community spaces. Individuals and groups book the available space and provide a diverse range of community activities in the venue. To assist community groups, LifeCare provides free space at no charge to community groups when it is able. Our centre is open 361 days annually.

Trustees' Annual Report *(continued)*

Objectives and activities *(continued)*

Partnership Working

- Vintage Vibes is a charitable partnership that tackles the social isolation and loneliness experienced by people over 60. This project has its own consortium steering group who report to both Boards of Trustees (LifeCare and Space & Broomhouse Hub).

The beneficiaries of this project are people over 60 who are

- isolated and lonely
- in ineffective and unsupportive neighbourhoods or communities
- with a mental health issue e.g. depression
- hard to reach older people for instance older men, minority ethnic or LGBT individuals
- elderly frail people
- those with dementia living independently at home, and their carers
- older people with a disability or a long-term illness
- those of all ages who are fit and would like to volunteer as a companion.

Achievements and Performance

- Care Inspectorate Gradings:

- Each of our three-day centres still hold their Grade 6's, 'Excellent'. Clients continue to enjoy companionship and lasting connections from the opportunity to visit socialise and participate in activities they enjoy regularly, and all three services meet their individual desired outcomes, are client-led and support given is person-centred.
- Our Outreach Service received Grade 5 'Very Good' for quality of care and support and staffing and Grade 3 'Adequate' for quality of management and leadership. The management and leadership elements have been improved following a review of the service by the Board of Management lead by a new and experienced Service Co-ordinator.
- No Care Inspections conducted for any of the registered services this year due to the COVID 19 restrictions, but we have worked closely with inspectors to comply with COVID guidelines and keep everyone safe.

- Occupancy – Day Care Centre-based Services: The service results include:

- Contracted places – dementia day care

- Throughout the year The Cottage and St Bernard's Club has been supporting client and carers via home visits, telephone call and video calls and days in the centre when restriction lifted. Some carers requested that we gave them regular support calls for themselves as well as the person they care for. 108% of available spaces were used during the past 12 months.

- Testimonials - The Cottage and St. Bernard's Clubs:

- 'You people don't realise how much you do for us. This place is a godsend. You give us something to look forward to every week. I would love to come every day if I could.'
- 'G really enjoyed his time at St Bernard's. He loved the staff and got on well with most of the clients. I am very grateful to you all for all that you do. St Bernard's not only helped G, but it also gave me a day to myself. I could not have managed without this.'
- 'I love coming to my club. I am so grateful for getting 2 days here. I would be sitting at home staring at the telly otherwise. I really like the people here and we have such a laugh'
- "Thank you to you and all your helpers for the wonderful service you provide and for bringing joy to so many lonely souls."
- "I really appreciate what you did for mum yesterday, i visited this morning and she was very vocal about her day with you."

Trustees' Annual Report (continued)

Achievements and performance (continued)

- Contracted places – elderly frail care: Throughout the year The Dean Club has been supporting client via home visits, telephone call and video calls. Some clients only wanted weekly contact but other asked to be contacted on several days of the week. 271% of available spaces were made during the past 12 months
- Testimonials – Dean Club
 - “The girls are really good and feels very looked after when at the club, she feels that they are very kind and helpful, and are always professional and she feels that she is always treated with dignity and respect.”
 - J commented on how “happy he is to be back at the club and enjoys seeing all the happy smiling, cheerful faces”. D his wife said that “our help over this time has been invaluable and they are both grateful for all we have done and are doing”
 - Coming along to the unit A feels it has made a big difference to her. She is able to socialize and make friends and be more active. She has got a close friendship with one lady and that helps her talking and getting to know other people there. She is a bit more confident than when she first started the Dean.
- Occupancy – Day Care Centre-based Services:
 - Testimonials – Dean Club:
 - ‘I feel like the staff are friends. It’s nice to get out of the house.’
 - ‘I was feeling low and it affected my mental health. By coming to the Dean Club, it has made a tremendous difference. It has given me my life back.’
 - Non-contracted places in day centres: 111 service places funded by Self Directed Support (SDS) were provided once services reopened
 - The Outreach Service: Service results include:
 - 92% (10,615 hours) of its target (11,530 hours) activity was achieved, with 99% (11,438 hours) booked hours, providing service throughout all lockdowns and restrictions due to COVID.
 - The Service supported 109 clients with evolving and high level care needs ages ranging from 50 – 98 years.
 - 58 family carers, with up to 110 client weekly visits.
 - Testimonials – Outreach Service:
 - “S is lovely – it is good having a woman to talk to, and she is a good worker. She also sees what needs to be done, and I don’t need to ask.”
 - “It’s so good to be helped by someone nearer my own age – because you know what it’s like.”
 - “I’ve noticed a difference since LifeCare visits started. When I call Dad, he is more upbeat and chattier than he has been in ages.”
 - “I feel confident leaving Frank with staff. I can go out and not worry about him - this is huge for me. I can relax and come back recharged. This support is invaluable, and I wouldn’t manage without the breaks.”

Trustees' Annual Report (continued)

Achievements and performance (continued)

Help at Home: Service results include:

- This year we delivered 13,848 hours of help and support to 331 clients, 87% of budgeted hours of 15,787. The shortfall in budgeted hours delivered was due to recruitment issues to allow the service to grow at the rate of high demand.
- We delivered 3,462 shops to vulnerable adults in the community. In order to do this safely during the pandemic, with the help of the Finance Administration Team, we used a cashless shopping system.
- Referrals come most often from word-of-mouth recommendations. Referral levels increased on the previous year with 101 clients joining the service. A waiting list had to be operated from January 2022. There were 22 people on the waiting list at year end.
- Testimonials:
 - "Thanks very much to your staff who have provided help to Mum over the last few years and enabled her to stay in her own home for so long."
 - "mum's home helps were such a godsend, and mum so enjoyed the chat as well as the clean house!"
 - "I would like to thank all staff and management at LifeCare for all your help in the past year, especially your help in what was a particularly difficult year for me"
 - "I wanted to take this opportunity to thank you and everyone at Lifecare for their help and support. I know my mum was very appreciative of everything that was done for her and enjoyed the company"
 - "I'm so grateful for the work that LifeCare has provided, it really got us out of a bind. Thanks so much for all the great work that you do to support our elders!"
 - "They provided her with tremendous support through some very difficult times."

Meals on Wheels: Service results include:

- This year we delivered 9,589 hot meals
- 81% (7,831) of these were delivered free of charge or subsidised.
- 267 clients were supported
- Testimonials:
 - "Thank you for everything. You were a bright light in a storm – we truly appreciate it!"
 - "Thank you for caring...I am so glad you exist"
 - "I was diagnosed with cancer of the stomach, my weight dropped to 8 stone, and I am 5ft9- so I was very underweight. Since receiving your meals, I am back up to 11st 7 pounds due to the amazing cooking which has gave me inspiration to start eating properly again. I now have to energy to go out on walks, and it has given me a new lease of life which I am very grateful for"

Trustees' Annual Report (continued)

Achievements and performance (continued)

- Vintage Vibes – Charitable Partnership

The Charitable Partnership between LifeCare Edinburgh and Space & Broomhouse Hub commenced on 21st September 2015 tackles social isolation and loneliness in over 60s living in Edinburgh.

Project delivery includes:

- 123 individual volunteer-VIP matches supported between April 2021 and March 2022
- 168 VIPs have been actively involved in the service during 21/22 and receive monthly opportunities letters which includes activities and inspiration for staying active within the home
- Vocal Vibes, the volunteer led singing group held fortnightly online and in person singing sessions for 20VIPs and ran percussion workshops and performed for the community
- 3111 hours of volunteering in 2021-2022
- 25 VIPs are members of the Vintage Vibes Film Group, meeting fortnightly to socialise and watch a film
- 94% of VIPs reported that their involvement with Vintage Vibes had made them feel less isolated.
- 82% of VIPs reported that their involvement in Vintage Vibes has made them feel happier and helped to better their quality of life
- 87% of VIPs exhibited indicators they are more able to make meaningful connections
- 78% of VIPs reported that their involvement in Vintage Vibes had improved their mental health

Vintage Vibes Testimonials:

Here are some other examples of the feedback we have received over the past year:

From VIP's & Next of Kin

- "I definitely feel less isolated knowing that I can see my volunteer on a Thursday. She is such a lovely young woman and I can speak to her easily. Also she is very non-judgemental. I respect her and she respects me as well - I think this is very important in all walks of life."
- "My volunteer is great company and is a regular visitor or sharer of outings. My other friends are often busy and she gives me valuable company. So grateful!"
- "I look forward to getting my weekly phone call from a volunteer. We have become good friends and she has visited my home and met my dog. Unfortunately, I do not get many visitors so having another person in my house is a blessing."

Vocal Vibes Singing Group

- "I grin with achievement!"
- "Singing just helps! Mood, energy, spirits. And Vocal Vibes is a great bunch of people. Keep up the good work! Great staff as well!"
- "I have been a member of Vocal Vibes since it was formed several years ago. I find the group very enjoyable and therapeutic. I have a 'sense of wellbeing'. I would encourage anyone to join as we can all sing. It's good for the spirit."

Trustees' Annual Report (continued)

Achievements and performance (continued)

- CaféLife: Service results include:
 - Due to Covid restrictions in place during the year the café was closed to the public during the second lockdown until the end of April 2021. Customers returned to the café from May onwards but due to restrictions and use of staff for meal delivery for the community, was open for takeaway breakfast and limited lunch servings only, 5 days per week, until December 2021.
 - Meals for our Day Centre staff started in August 2021 on the return of the day centre's to the LifeCare Centre.
 - The Café was successful in applying for a funding application to renovate the café to enable the team to provide 3 services being, Meals on Wheels, Provision of meals for day centre clients and service to the general public. Work commenced on the renovation from October 2021 and was completed by December 2021. The Café reopened fully in January 2022 after the renovation allowing the café to grow its customer base, increase the number of meals to the community and allow the café to produce meals for our day centre clients.
 - The café prepared 9,589 meals for the Meal on Wheels Project, 1227 meals for Day Center clients and £13,500 of income from 2575 customers,
 - A new post of community Hub coordinator was created in March 2022 after successful funding application from Awards for All, to help relaunch the café to the local community and to attract new customer and community group to use the café.

- The LifeCare Centre (Stockbridge House): The service results include:
 - The government restrictions for activities in community centres were partially lifted from the end of April 2021, allowing the return of some activities and classes in the centre to restart. As the confidence of the public increase and further restrictions were lifted over the year the number of activities in the centre increased.
 - By March 2022, the centre had returned to 70% of per covid activity with a total of 1,500 hours of daytime bookings undertaken and 1,443 of evening and weekend bookings taking place. The venue generated £57,530 of income in the year, 12% over budget.
 - A new post of community Hub coordinator was created in March 2022 after successful funding application from Awards for All, to help the centre attract new business and to engage with the local community.

- Community Engagement: Service results include:
 - A programme of monthly historical talks held online continued to be enjoyed by the community. On average 70 people attended each talk. The talk was recorded and replayed again for those who could not attend on the day.
 - A weekly Conversations Group that discussed topical issues was held online. This was extremely popular. Also, online was a monthly quiz.
 - These talks brought people together and combatted social isolation through shared interests in local history.

Overall, feedback from clients, carers and customers across all our services was hugely positive again this year. These included letters of thanks, compliments and lovely comments. Donations were also given by those who were grateful for the events.

The Community Engagement post was unfortunately closed in March 2022 due to funding not being secured to allow the post to continue.

Coronavirus 19 (COVID-19)

The coronavirus first impacted the organisation from mid- March 2020 until August 2020 when the first lockdown was lifted, subsequently the organisation was further impacted by eh second lockdown which ended in April 2021. The organisation has continued to put measures in place to mitigate risks to the organisation, staff, service clients and carers.

COVID-19 Measures:

- **Office based staff:** All staff have worked from both home and office minimising the number of people on site at any one time.
- **Day Centres:** Reopened in August 2021 on a reduced basis as conforming to COVID restrictions.
 - Staff teams have shown great agility and innovation and adapted the day care service delivery quickly to work with clients and family carers via telephone or home visits and using other digital platforms with support from family carers in the home.
 - Number of client able to attend have been reduced due to covid restriction either on the buses or in the centre themselves
 - All Care service continue to wear enhanced PPE when working with clients)
- **At home service:** Staff continued to use PPE whilst in clients home to minimise the risks and enhanced cleaning procedures.
- **CaféLife:** Reopened on a limited service in April 2021 putting in place government guidelines and adhering to PPE, social distancing and strict cleaning measures to ensure the café operated as safely as possible.
- The Venue fully reopened in April 2021 welcoming back classes. Government guidelines are followed with regard to PPE and enhanced cleaning procedures.
- **Vintage Vibes:**
 - Staff have undertaken hybrid working, combining at home working and in the office/community
 - All matched VIPs and volunteers have been supported to move from a telephone based weekly call to a face-to-face meetup, with some preferring to stay as a telephone-based friendship
 - Regular email and written communications with signposting for support developed for VIPs and volunteers as well as weekly welfare checks made to vulnerable VIPs by Service Coordinators
 - Additional transport budget has been implemented to help encourage VIPs to increase their confidence in leaving their homes
 - Volunteer and VIP feedback has led the progression of face-to-face meetups and events, in line with Government guidelines

Trustees' Annual Report (continued)

Achievements and performance (continued)

Board of Trustees and the Organisation

- The LifeCare Board of Trustees held eight meetings in 2021-2022, including the AGM and Board Strategy Session. The two LifeCare Board Committees, Client Services and Finance, Risk and Audit, met regularly throughout the period. The Consortium Steering Group for the Vintage Vibes project, our Charitable Partnership with the Broomhouse Centre, met bimonthly. Table 1 provides a breakdown of the number of Board, Board Committees and Consortium Steering Group meetings in 2021-2022.

Table 1: Number of Board, Board Committee and CSG Meetings in 2021-2022

Board	Client Services	Finance, Risk and Audit Committee	Vintage Vibes Consortium Steering Group	TOTAL MEETINGS
8	6	5	6	25

Contribution of Volunteers

- Our Volunteers made an invaluable contribution in time and talents, increasing our capacity and making it possible to achieve all that we have done during this period. Volunteers helped us in Vintage Vibes, in our day care services, as café hosts, kitchen portering, office administration, research into our history, on our Board, and in helping with practical projects in the venue, like painting and gardening and many other aspects.
- We recorded 4985 hours of volunteer time across LifeCare's range of services and functions in the charity, which included 3111 hours from Vintage Vibes volunteers. The minimum financial equivalent, based on the National Living Wage in 2021-2022, amounted to £43.5k.
- We value all our volunteers very highly and thank them and our supporters for their personal contributions in time and talents. We could not have achieved all that we have done this year without them. We owe them a huge debt of thanks for the difference they have made to the lives of so many.

Financial Review

Results for the year

	2022	2021
	£000	£000
Income for the year	1,423	1,706
Expenditure	<u>(1,566)</u>	<u>(1,584)</u>
	(143)	122
Gains(losses) on investments		
Revaluation of UK listed investments	31	154
Unrealised gain on Property investment	<u>-</u>	<u>25</u>
Net movement in investment gains/(losses)	<u>31</u>	<u>179</u>
Net movement in funds	<u>(112)</u>	<u>301</u>

Principal income sources

The organisation received funding by way of a single City of Edinburgh Council combined Service Level Agreement for our three day centres which totalled £329k (2021 £323k). Contributions from service users of the Outreach and Help at Home services increased to £490k from 2021 £336k. The Vintage Vibes project received £21k (2021 £8k) of client contributions and donations.

Reserves Policy

The Trustees have conducted a review of LifeCare's reserves policy which has been prompted by:

- Known pressures on public sector funding which also impacts on support for disadvantaged and vulnerable people
- The need to secure the long-term sustainability of LifeCare and its essential services to our clients in a challenging environment services
- Maintaining LifeCare's vital services in a climate of financial uncertainty
- Offsetting the impact of a reduction of grants from charitable trusts
- The reduced income from services due to Covid pandemic and the long term recovery in services to pre pandemic levels

In these uncertain times the Trustees have decided that they require the minimum equivalent of 6 months expenditure as free cash equivalent reserves.

We have been advised that the City of Edinburgh Council Contract has been extended to 31st March 2023 at the tender price submitted to the council in February 2023.

The budgeted costs for 2022/23 are £1.51m and 6 months would represent £750k. Currently LifeCare has 7 months budgeted costs this as shown below. Its is forecast in the current financial year that due to increased costs of bring services back to pre-pandemic levels a loss will be made and reduce the Free reserves.

	2022	2021
	£000	£000
Restricted reserves	(216)	(241)
Fixed Assets including Investment property	(672)	(692)
Building & Maintenance Designated fund	(19)	(19)
Vintage Vibes Designated fund	(45)	(45)
	<u>(952)</u>	<u>(997)</u>
Total Reserves	<u>1,814</u>	<u>1,926</u>
Free Reserves	<u>862</u>	<u>929</u>

Trustees' Annual Report *(continued)*

Financial Review *(continued)*

Building & Maintenance Designated Fund

Our premises in Cheyne Street were built nearly 50 years ago. There are a number of major building works that must be carried out to ensure that the building is properly maintained and fit for purpose as a much used community amenity and venue for all equality groups to enjoy. A building maintenance survey was carried out and there is a 5 year planned maintenance scheme in place.

Vintage Vibes Designated fund

Vintage Vibes has secured funding from the Health and Social Care Partnership Integrated Joint Board and Comic Relief to continue the current work programme. We are committed to continue this very successful project and have designated £45k in funds as a cushion while it seeks additional funding.

Investment Policy

The aim of investing is to generate long term capital growth to protect the value of the capital against inflation and to generate income ahead of that available from cash deposits. An external investment manager is engaged for this purpose. The income generated will be used to assist in bridging funding gaps.

The company's investment property was formally reviewed by Ryden LLP on 31 March 2022 at a value of £300,000. The property, which is an integral part of the LifeCare building, is classified as such under Accounting Standards as it generates rental income for the organisation.

Fixed assets, principally the Cheyne Street property, are held for charitable purposes. Other assets in the form of property and readily realisable shares are held for future income for the charity's principal activities.

Plans for future periods

In 2022-2022, our primary strategic priority is, as we come out of lockdown and society opens up again, will be to grow the charities business in line with the objectives agreed by the Board in the business plan. This year will be a mixture, as it is not clear yet at what point in the year services will resume fully.

1. Business plan, strategic objectives and operational objectives for the year ahead approved by the board on 26 April 2022.
2. Articles of Association reviewed in 2021 but need further review to look at the need for an AGM.
3. Four new trustees with a wide range of experience have been appointed. New chair appointed in February 2022 and trustee buddy system in place to help with their induction.
4. The charity reacted swiftly and with great success to the Pandemic, instigating home working for office staff, blended services for day centre and outreach staff and started a new meal on wheel service. This learning will be used to progress how LifeCare provides its services, making us more flexible to meet the needs of our clients.
5. The Covid Group, a combination of trustees, management and front line staff has been very successful in adapting processes for the services during the Pandemic and successful collaboration between all parts of the organisation. The learning from this group will be invaluable to inform future practice and it will continue this year.

Trustees' Annual Report (continued)

Plans for future periods

In 2022 onwards our primary strategic priority as society starts to open up fully again, is to continue to fully recover and grow the charities business in line with the strategic intentions and promises for the next three years and beyond which produced with our stakeholders earlier this year.

1. Grow outreach meals and help at home services by 5% annually
2. Relaunch our community café and meals on wheels services and grow both into viable social enterprises.
3. Expand Vintage Vibes into new neighbourhoods of Edinburgh
4. Explore collaborative partnerships with like minded community partners to further reduce isolation and loneliness in later life
5. Embrace opportunities to engage with care at home technology innovation
6. Amplify the voice of older people being cared for at home by supporting Coalition of Care Providers (CCPS) and Scottish Care campaigns to increase public awareness and public recognition of the value and importance of healthy sustainable care at home providers.
7. Renew our pay and benefits policy and pay structure to reward our amazing people positioning LifeCare as a forward leading National Care Service care at home provider trailblazing quality care at home.
8. Automate performance and impact data in order to generate a strong well evidence baseline for LifeCare to become a sustainable charity able to generate and recycle a small annual surplus.
9. Continue to make improvements to the fabric and accessibility of our Stockbridge community venue so it can be enjoyed by all and continue to generate an income to support our work.
10. Make a tangible and proportionate commitment to Scotland's net zero carbon target linked to wider UN sustainable development goals.
11. Increase both the number and retention of regular donors - quadrupling the number of donors over the next 2 years motivated by the quality and importance of our work.
12. Develop a programme of donor acquisition and re-acquisition campaigns to Increase regular donors by 50%
13. Establish a programme to engage potential major/legacy donors connected to our heritage in Edinburgh and make full use of digital channels to engage existing and new supporters in our work.
14. Develop the Board structure and ways of working so that clients carers and our employees influence board decision making and play a part in designing implementation of our plans as Scotland's recovery gathers pace.

Governing document

Originally founded in 1940 as *Edinburgh Old People's Welfare Council* and registered as a charity in 1946, the organisation changed its name to LifeCare (Edinburgh) Limited on 9th September 2005. It changed its corporate form to that of a charitable Company Limited by Guarantee (not having share capital), incorporated on 17 June 2005.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association, which were subsequently reviewed and amended by the Board and approved by OSCR in January 2013. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The company is regulated by the Office of the Scottish Charity Regulator, Companies House and the Care Inspectorate.

Recruitment and appointment of Trustees

The directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles of Association are known as members of the Board of Trustees. Members of the Board of Trustees are listed on page 1. Under the requirements of the Articles of Association the members of the Board of Trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. Additionally, members of the Board of Trustees must be re-elected at the next Annual General Meeting following their appointment to the Board of Trustees.

Trustees' Annual Report *(continued)*

Structure, Governance and Management

The Board of Trustees

The Board of Trustees, who are directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

Trustee development

This year the Board held its first in-person meeting shared experiences and personal values at a strategy away day together and went on to set a strategic framework for the senior managers to develop further. The Board agreed a risk strategy, renewed its risk appetite and agreed an assurance framework together with the senior management team.

Directors made a plan for the year ahead which includes an in-depth Board conversation about how to connect LifeCare's contribution to carbon zero goals with wider sustainable development goals and a second event to explore and appraise its compliance and assurance preparedness. Both facilitated by sector leaders in charity governance and environmental strategy.

Organisational structure

The Company has a Board of Trustees of up to 10 members who meet regularly and are responsible for the strategic direction and policy of the charity. At present the Board of Trustees has eight members with a variety of professional and other relevant backgrounds to its work.

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Chief Executive with specific delegated duties to the Business Relations Manager and Care Services Manager.

Two standing committees of the Board of Trustees have been established to monitor and report to the Board on Care, Finance and Organisational Development in support of and to promote the work of the Company. In addition, for Vintage Vibes, our charitable partnership project with the Broomhouse Centre, the Consortium Steering Group involves two Trustees from each charity and is currently chaired by a LifeCare Trustee. Each committee is chaired by a member of the Board of Trustees and at least one other Trustee is involved in each Committee.

Structure, Governance and Management

Pay of key management

The Board performs a benchmarking review every five to six years. The last such review was completed in 2014. Attracting and retaining good people at all levels remains our primary challenge. The Board approved the commissioning of an independent pay and benefits review with the objective to benchmark pay and benefits for all employees and set a simple values based pay and regards policy in 2022.

Risk Management

The Board of Trustees has reviewed the charity's strategic risks and adjusted its risk appetite accordingly:

HEADLINE RISK APPETITE THEME/ACTIVITY	RISK APPETITE LEVEL	CHANGE
GROWTH, COLLABORATION & PARTNERSHIP	Open	Yes
CONFIDENCE & TRUST/QUALITY OF SERVICES (COMPLIANCE)	Cautious	No
FINANCIAL SUSTAINABILITY	Cautious	No
ADAPTABLE/AGILE & RESILIENCE	Open	Yes
OUR PEOPLE	Open	Yes
SAFETY & SECURITY	Cautious	No

Trustees' Annual Report *(continued)*

Structure, Governance and Management

The Board of Trustees considers its risk register at Board meetings and reviews this annually as part of its three-year business plan review.

The board has assured itself that the management of the safety and security of clients and people has been sound as restrictions were lifted. The safety security and motivation of its committed workers has been and remains a primary impact on its' capacity to deliver and respond to growing demand for services. Financial risks have been monitored carefully over the year and efforts made to improve data reporting to both better assure the Board of sustained financial controls moving in the right direction, and make steps towards producing a compelling and well evidence case to funders. These will help to sustain regrowth of fundraising income in what has been and will continue to be very challenging funding landscape. From a strategic point of view regathering the confidence, competence and freeing up the capacity to develop collaborative partnerships has also begun. These will position LifeCare to secure City of Edinburgh Council and Edinburgh Health & Community Partnership contacts on the near horizon and ensure that the voices of older people shape the translation of Scotland's ambition for a national care service in Edinburgh.

The funding of the service range remains the key priority. The organisation will ensure that services continue to remain relevant current and affordable to meet the needs of those who access them. LifeCare (Edinburgh) Limited has sustained relationships with its funders during the pandemic and continues to find and secure sources of funding to grow its reach scale and scope of community support.

The Management of the Charity and the Board are closely monitoring the impact of the pandemic recovery on the charity including the recent impact on Investment Valuations across the market and the resulting impact of income in all its trading activities.

Responsibilities of the Board of Trustees

The Board of Trustees is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UKGAAP). Company Law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Board of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Auditors

In accordance with the Companies Act 2006, a resolution for the reappointment of MHA Henderson Loggie as auditors of the charitable company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Annual Report *(continued)*

Approval of the Trustees' Annual Report

At the time of approving this report, the Board of Trustees is aware of no relevant audit information of which the charity's auditors are unaware and have taken all steps that they ought to have taken as a member of the Board of Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

Approved


Beverley Francis - 2022-09-24, 14:37:14 UTC

Beverley Francis
Chairperson

Independent auditor's report to the Trustees and Members of LifeCare (Edinburgh) Limited

Opinion

We have audited the financial statements of LifeCare (Edinburgh) Limited (the 'company') for the period ended 31 March 2022 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the [entity]'s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the Trustees and Members of LifeCare (Edinburgh) Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report to the Trustees and Members of LifeCare (Edinburgh) Limited
(continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading correspondence with regulators including OSCR, the Health & Safety Executive and the Care Inspectorate
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to depreciation rates and valuation of investment properties; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; Care regulations; charity law; employment law (including the Working Time Directive); and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognize the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


James Davidson – 2022-09-24, 15:41:53 UTC

James Davidson (Senior Statutory Auditor)
*For and on behalf of Henderson Loggie LLP,
Chartered Accountants
Statutory Auditor
(Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006)*

11-15 Thistle Street
Edinburgh
EH2 1DF

Statement of financial activities (Including Income and Expenditure Account)
for the year ended 31 March 2022

	Note	Unrestricted Funds			Restricted Funds	2022 Total	2021 Total
		General £	Designated £	Revaluation £			
Income from:							
Donations and legacies	2	112,265	-	-	175,723	287,988	604,165
Charitable activities	3	600,242	-	-	413,018	1,013,260	945,166
Other trading activities	4	69,346	-	-	-	69,346	13,290
Investments	5	52,376	-	-	-	52,376	53,918
Other income – insurance receipts		-	-	-	-	-	89,205
Total income		834,229	-	-	588,741	1,422,970	1,705,744
Expenditure on:							
Raising funds	6	(200,624)	-	-	-	(200,624)	(192,558)
Charitable activities	7	(705,609)	-	-	(659,871)	(1,365,480)	(1,391,590)
Total expenditure		(906,233)	-	-	(659,871)	(1,566,104)	(1,584,148)
Gain/ (loss) on investments	11, 15	9,492	-	22,061	-	31,553	179,328
Net income/ (expenditure)		(62,512)	-	22,061	(71,130)	(111,581)	300,924
Transfers between funds	15, 16	(46,195)	-	-	46,195	-	-
Net movement in funds		(108,707)	-	22,061	(24,935)	(111,581)	300,924
Reconciliation of funds							
Funds balances at 1 April 2021		1,583,438	63,990	37,136	241,565	1,926,129	1,625,205
Fund balances at 31 March 2022		1,474,731	63,990	59,197	216,630	1,814,548	1,926,129

The incoming resources and resulting net movements in funds arise from continuing operations.

Balance sheet
at 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	10		372,145		391,746
Investments	11		1,252,263		1,227,660
			1,624,408		1,619,406
Current assets					
Stock in hand		1,577		1,514	
Debtors	12	126,416		130,496	
Cash at bank and in hand		166,870		294,440	
		294,863		426,450	
Creditors: amounts falling due within one year	13	(70,305)		(74,587)	
Net current assets			224,558		351,863
Total assets less current liabilities			1,848,966		1,971,269
Creditors: amounts falling due in more than one year			(34,418)		(45,140)
Net Assets			1,814,548		1,926,129
Capital and reserves					
Unrestricted funds:					
Revaluation funds	15	59,197		37,136	
General funds	15	1,474,731		1,583,438	
Designated funds	15	63,990		63,990	
			1,597,918		1,684,564
Restricted funds	16		216,630		241,565
			1,814,548		1,926,129

The accounts are prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

These financial statements were approved and authorised for issue by the Board of Trustees on 22 September 2022 and were signed on its behalf by:


Beverley Francis - 2022-09-24, 14:37:14 UTC

Beverley Francis
Chairperson

Company Registration No. SC286315

Statement of cash flows
at 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash used in operating activities	20		(175,885)		111,586
Cash flows from investing activities					
Investment income	5	52,376		53,918	
Purchase of tangible assets	10	(5,429)		-	
Purchase of investments	11	(104,549)		(81,654)	
Proceeds from sale of investments	11	111,473		87,007	
Cash generated by (used in) investing activities			53,871		59,271
Cash flows from financing activities					
Drawdown of bank loan		-		50,000	
Loan repayments		(5,582)			
Cash generated by financing activities			(5,582)		50,000
Decrease in cash and cash equivalents in the year			(127,596)		220,857
Cash and cash equivalents at the beginning of the year	21		306,918		86,061
Total cash and cash equivalents at the end of the year	21		179,322		306,918

Notes

(forming part of the financial statements)

1 Accounting policies

(a) *Basis of preparation*

The financial statements have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments. The financial statements are compliant with the Statement of Recommended Practice FRS 102– Accounting and Reporting by Charities (SORP FRS102) second edition, with the Financial Reporting Standard 102 (FRS102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006. The charity is a public benefit entity and a company limited by guarantee incorporated in Scotland with the registered office as noted on page 1. The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) *Going concern*

The charity's operations have significantly been affected by the COVID-19 global pandemic and the Trustees have taken the steps outlined in the Trustees report to safeguard the Charity. Having reviewed budgets for the 12 months from signing and the cash and quoted investments held by the charity these financial statements have been prepared on the going concern basis which assumes that the charity will continue its operations.

(c) *Income*

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donation and legacies includes donations, gifts and grants that provide core funding or are of general nature.

Legacies are recognised when the amount of the legacy can be estimated with sufficient accuracy and receipt is probable.

Income from community lets is included in other trading activities and is recognised as earned.

Investment income is recognised on a receivable basis and includes investment property rental income. Rents received in advance are included in deferred income. Cafe income is recognised immediately as they are cash sales.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions, and is recognised as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, probability of receipt and where the amount can be measured with sufficient reliability.

(d) *Expenditure*

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs of raising funds comprise the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Notes (continued)

1 Accounting policies (continued)

(d) *Expenditure (continued)*

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

(e) *Tangible assets*

Tangible assets are stated at cost less accumulated depreciation. The costs of minor additions or those below £1,000 are not capitalised.

(f) *Investments*

Fixed asset investments are included in the balance sheet at fair value. The fair value of listed investments is based on middle market prices at the balance sheet date. The Investment property is revalued tri-annually and no depreciation or amortisation is provided. Unrealised gains and losses on investments are taken to the revaluation reserve.

(g) *Depreciation*

Depreciation has been provided to write off the cost less the estimated residual value of tangible fixed assets at the following rates:

Freehold property	- 2% straight line
Furnishings and equipment	- 20% straight line
Computers	- 33% straight line
Motor vehicles	- 20% reducing balance

(h) *Stock*

Stock is held at the lower of cost and net realisable value. Stock relates to Café Life.

(i) *Fund Accounting*

- Unrestricted funds are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.
- Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor.

Where small amounts of restricted funds are received and spent in the year as part of an activity which is supported from general funds the income and expenditure is included in general funds.

(j) *Defined contribution pension scheme*

The charity contributes to pension schemes providing benefits based on contributions. Employer contributions charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period.

Notes *(continued)*

1 Accounting policies *(continued)*

- (k) *Realised and unrealised gains and losses*
All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.
- (l) *Taxation*
The Company is recognised by HM Revenue and Customs as a charity for the purposes of the Corporation Tax Act 2010 part 11 and is exempt from income and corporation tax on its charitable activities.
- (m) *Debtors*
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.
- (n) *Creditors and provisions*
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.
- (o) *Cash at bank and in hand*
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
- (p) *Financial instruments*
The charity only has financial assets and financial 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.
- (q) *Judgements in applying accounting policies and key sources of estimation uncertainty*
In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as a lessor are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Tangible fixed assets are depreciated over a period to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.
- Investment properties are valued using a yield methodology. This uses market rental values capitalised at a market capitalisation rate but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

Notes (continued)

2 Analysis of income from donations and legacies

	Unrestricted £	Restricted £	2022 £	2021 £
Donations	48,414	55,367	103,781	290,946
Legacies	13,845	-	13,845	8,489
Scottish Government – COVID supporting communities				131,346
City of Edinburgh Council – COVID grants	-	5,750	5,750	34,762
Miscellaneous Grant Funding	50,006	114,606	164,612	138,622
	<u>112,265</u>	<u>175,723</u>	<u>287,988</u>	<u>604,165</u>

Income from donations and legacies was split £209,468 unrestricted and £394,697 restricted in 2021.

3 Income from charitable activities

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
UK Government–Coronavirus Job retention scheme	-	-	-	125,687
Grant income	109,917	391,333	501,249	483,490
Day care client contributions	-	21,685	21,685	-
At home client contributions	490,325	-	490,325	335,989
	<u>600,242</u>	<u>413,018</u>	<u>1,013,260</u>	<u>945,166</u>

Income from charitable activities was split £469,508 unrestricted and £475,658 restricted in 2021.

Included in grant income is £328,866 (2021; £323,306) from the City of Edinburgh Council

4 Other trading activities

	Café £	Community lettings £	Total 2022 £	Café £	Community lettings £	Total 2021 £
Incoming resources	12,019	57,327	69,346	3,128	10,162	13,290
Cost of raising funds	(34,875)	(93,693)	(128,569)	(48,529)	(90,115)	(138,644)
	<u>(22,857)</u>	<u>(36,366)</u>	<u>(59,223)</u>	<u>(45,401)</u>	<u>(79,953)</u>	<u>(125,354)</u>

Other trading income was all unrestricted in 2021. Coronavirus Job Retention Scheme grants and Coronavirus grants were received and are included within donations and legacies which contributed to the cost of raising funds noted above.

5 Income from investments

	2022 Unrestricted £	2021 Unrestricted £
Property leases	27,500	27,500
Dividends	24,876	26,418
	<u>52,376</u>	<u>53,918</u>

Notes (continued)

6 Expenditure on raising funds

	Staff costs £	Direct costs £	Support costs £	2022 £	2021 £
<i>Unrestricted</i>					
Costs of raising donations and legacies	57,521	7,263	322	65,105	47,780
Investment management costs	-	6,950	-	6,950	6,135
Other trading activities	103,417	11,026	14,126	128,569	138,643
	<u>160,937</u>	<u>25,239</u>	<u>14,448</u>	<u>200,624</u>	<u>192,558</u>

7 Expenditure on charitable activities

	2022 Total £	2021 Total £
Staff costs	765,998	814,540
Direct costs	174,314	214,500
Support costs	425,168	362,550
	<u>1,365,480</u>	<u>1,391,590</u>

Expenditure on charitable activities in 2021 was split £624,760 general unrestricted and £766,830 restricted.

8 Support costs

	2022 £	2021 £
Staff costs	239,855	239,933
Other overhead costs	190,084	134,295
Governance costs – Audit fee	9,677	9,290
	<u>439,616</u>	<u>383,518</u>

9 Staff numbers and costs

	2022 £	2021 £
Wages and salaries	1,068,785	1,056,500
Social Security costs	59,268	55,843
Pension payments	37,033	39,143
Redundancy payments	1,704	18,000
	<u>1,166,790</u>	<u>1,169,486</u>

	No	No
Average number of employees	<u>75</u>	<u>79</u>

There were no employees who received emoluments in excess of £60,000.

Notes (continued)

9 Staff numbers and costs (continued)

Key management of the organisation are considered to be the Chief Executive, the Business Relations Manager, the Management Accountant and the Care Services Manager. Total remuneration of the key management personnel of the company was £168,292 (2021: £171,277). In addition, employer payments to a pension scheme of £7,292 (2021: £8,847) were made on their behalf.

No members of the Board received any remuneration or other payments (2021; £Nil). No Trustees received reimbursement of expenses in the year (2021: £Nil). Trustee indemnity insurance was in place for the benefit of Trustees throughout the period.

10 Tangible fixed assets

	Freehold property £	Furnishings and equipment £	Computers £	Motor vehicles £	Total £
Cost					
Balance at start of year	585,046	117,605	13,771	19,494	735,916
Additions	-	5,429	-	-	5,429
Balance at end of year	585,046	123,034	13,771	19,494	741,345
Depreciation					
Balance at start of year	232,682	81,492	13,771	16,225	344,170
Charge for year	11,701	12,675	-	654	25,030
Balance at end of year	244,383	94,167	13,771	16,879	369,200
Net book value					
At 31 March 2022	340,663	28,867	-	2,615	372,145
At 31 March 2021	352,364	36,113	-	3,269	391,746

11 Fixed asset investments

	Investment property £	UK listed investments £	Total 2022 £	Total 2021 £
Market value brought forward at start of year	300,000	915,182	1,215,182	1,041,207
Additions	-	104,549	104,549	81,654
Disposals	-	(111,473)	(111,473)	(87,007)
Realised (loss)/gain	-	3,898	3,898	8,541
Unrealised gain/ (loss)	-	27,655	27,655	170,787
Cash held for investment			12,452	12,478
Cost as at 31 March 2022	316,753	876,313	1,193,066	1,227,660

Notes (continued)

11 Fixed asset investments (continued)

Stockbridge House extension was valued by an independent RIS registered valuer within: Ryden LLP, Property Consultants, at an open market value of £300,000 on 31 March 2021.

The property, which is an integral part of the LifeCare building, is classified as an investment property under Accounting Standards as it generates rental income for the organisation. It is not self-contained and would incur considerable cost and reorganisation to liquidate.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility to growth. Liquidity risk is anticipated to be low as listed investments are traded in markets with good liquidity and high trading volumes and this is expected to continue. The Charity invests in pooled investment vehicles and is therefore directly exposed to credit risk. This risk is mitigated by the underlying assets of the pooled arrangements being ring-fenced from the pooled manager, the regulatory environments in which the pooled manager operates and diversification of investments amongst a number of pooled funds. Market risk arises principally in relation to equities held in the pooled vehicles. The Charity manages this exposure to market risk by constructing a diverse portfolio of investments across various markets and by retaining expert advisors to manage its investment portfolio.

12 Debtors

	2022	2021
	£	£
Trade debtors	74,881	56,414
Prepayments and accrued income	48,558	63,623
Other debtors	2,977	10,459
	<u>126,416</u>	<u>130,496</u>

13 Creditors due in one year

	2022	2021
	£	£
Trade creditors	12,776	24,774
Tax and social security	14,261	14,374
Other creditors	15,945	15,661
Accruals	12,740	10,335
Deferred income	4,583	4,583
Bank Loan	10,000	4,860
	<u>70,305</u>	<u>74,587</u>

Creditors due in more than one year

Bank Loan – 2-5 years	29,166	33,332
Bank loan - >5 years	5,252	11,808
	<u>34,418</u>	<u>45,140</u>

The Bank loan is unsecured with an interest rate of 2.5% is repayable over six years with the first repayment in September 2022

Notes (continued)

14 Deferred income

	2022	2021
	£	£
Balance as at 1 April 2021	4,583	4,583
Amount released to income	(4,583)	(4,583)
Amount deferred in the year	4,583	4,583
	<hr/>	<hr/>
Balance as at 31 March 2022	4,583	4,583
	<hr/> <hr/>	<hr/> <hr/>

Deferred income relates to rental of office space where rent has been received in advance.

15 Unrestricted funds

2022	Revaluation Funds	General Funds	Designated Funds	Total
	£	£	£	£
Opening funds brought forward at start of year	37,136	1,583,438	63,990	1,684,564
Income	-	834,229	-	834,229
Expenditure	-	(906,233)	-	(906,233)
Gain/ (loss) on investments	22,061	9,492	-	31,553
Transfer to restricted funds	-	(46,195)	-	(46,195)
	<hr/>	<hr/>	<hr/>	<hr/>
Closing funds	59,197	1,474,731	63,990	1,597,918
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<hr/>	<hr/>	<hr/>	<hr/>
2021	Revaluation Funds	General Funds	Designated Funds	Total
	£	£	£	£
Opening funds brought forward at start of year	-	1,459,079	63,990	1,523,069
Income	-	835,389	-	835,389
Expenditure	-	(817,318)	-	(817,318)
Gain/(Loss) on investments	37,136	142,192	-	179,328
Transfer to restricted funds	-	(35,904)	-	(35,904)
	<hr/>	<hr/>	<hr/>	<hr/>
Closing funds	37,136	1,583,438	63,990	1,684,564
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Designated funds

2022	Opening funds	Income	Resources expended	Transfers	Closing funds
	£	£	£	£	£
Building maintenance	18,990	-	-	-	18,990
Vintage Vibes	45,000	-	-	-	45,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	63,990	-	-	-	63,990
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
2021	Opening funds	Income	Resources expended	Transfers	Closing funds
	£	£	£	£	£
Building maintenance	18,990	-	-	-	18,990
Vintage Vibes	45,000	-	-	-	45,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	63,990	-	-	-	63,990
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

16 Restricted funds

	Funds as at 31 March 2021 £	Income £	Expenditure £	Transfers £	Funds as at 31 March 2022 £
2022					
Big Lottery Fund	26,590	41,368	(46,200)	-	21,758
Big Lottery Fund - Vintage VIBES	174	-	-	-	174
Barclays	60,125	-	(51,767)	(4,211)	4,147
Vintage VIBES – other funding	44,119	23,931	(23,401)	-	44,649
Vintage Vibes – 8VCO	-	18,626	(18,655)	29	-
Vintage Vibes - Edinburgh Community Mental Health and Wellbeing Fund		10,000			10,000
Almoner service	-	2,658	(2,658)	-	-
Stafford Trust	-	5,000	-	-	5,000
Leith Chooses	-	4,900	-	-	4,900
Inverleith Neighbourhood Partnership Celebrate Stockbridge	6,984	6,809	(14,487)	5,694	5,000
Tesco Bank	57,989	6,335	(7,871)	-	56,453
Foundation Scotland – Care for Carers	4,800	-	(4,800)	-	-
Innovation Fund	8,794	-	-	-	8,794
TOR Christian Foundation	14,800	-	(4,764)	-	10,036
The Building Collaboration	118	-	-	-	118
Community Link	14,088	46,207	(36,406)	-	23,889
EVOC winter grant	2,984	-	(2,984)	-	-
Vent Grants CEC	-	1,700	(2,513)	813	-
ADAPT and Thrive	-	44,852	(31,784)	(5,432)	7,636
Awards for All	-	10,000	(1,674)	-	8,326
Restricted Income Funds	-	357,118	(406,420)	49,302	-
Digital Boost	-	3,487	(3,487)	-	-
City of Edinburgh Council Covid grants	-	5,750	-	-	5,750
	241,565	588,741	(659,871)	46,195	216,630

Notes (continued)

16 Restricted funds

	Funds as at 31 March 2020 £	Incoming resources £	Resources expended £	Transfers £	Funds as at 31 March 2021 £
2021					
Big Lottery Fund	-	38,622	(12,032)	-	26,590
Big Lottery Fund – Vintage VIBES	-	36,098	(35,924)	-	174
Scottish Government	-	131,346	(131,346)	-	-
Barclays	-	100,000	(39,875)	-	60,125
Vintage VIBES – other funding	37,877	47,097	(40,855)	-	44,119
Restricted income funds	-	319,140	(355,044)	35,904	-
Almoner service	-	56,164	(56,164)	-	-
Inverleith Neighbourhood Partnership					
Celebrate Stockbridge	1,975	9,766	(4,757)	-	6,984
Tesco Bank	41,033	16,956	-	-	57,989
Foundation Scotland – Care for Carers	-	4,800	-	-	4,800
Innovation Fund	-	8,794	-	-	8,794
TOR Christian Foundation	-	14,800	-	-	14,800
The Building Collaboration	3,478	-	(3,360)	-	118
Corra Emergency Fund	-	2,000	(2,000)	-	-
Tesco bag for life	-	500	(500)	-	-
Wellbeing Fund	-	13,849	(13,849)	-	-
Queensberry House	-	15,000	(15,000)	-	-
Community Link	17,773	44,073	(47,758)	-	14,088
Port of Leith	-	2,250	(2,250)	-	-
SCVO Cyber Security	-	500	(500)	-	-
EVOC Winter Grant	-	3,600	(616)	-	2,984
Foundation Scotland	-	5,000	(5,000)	-	-
	<u>102,136</u>	<u>870,355</u>	<u>(766,830)</u>	<u>35,904</u>	<u>241,565</u>

Transfers represent income from unrestricted funds used to fund deficits on restricted services.

Notes *(continued)*

16 Restricted funds *(continued)*

Vintage Vibes is a stand-alone charitable partnership with The Broomhouse Centre, part funded by the Big Lottery Fund, that offers long term interventions for people over 60 across Edinburgh. It does this by providing companionship, support, the prospect of being more socially connected and volunteering opportunities for those who are fit and able.

The restricted income funds – part funding via a block contract from City of Edinburgh Council for each of our three day care services; The Dean, St. Bernard's and the Cottage. Restricted income funds relate to the operational activities of these three centre-based services.

Barclays – Barclays 100*100 grant, to provide 14,000 hot meals delivered to clients in the North and East of Edinburgh and provide a check in service to ensure clients are safe.

Almoner Service – the Almoner Service was managed on behalf of the Merchant Company of Edinburgh.

Stafford Trust – Stafford Trust provided funding to provide hot meals in the community through the meals on wheels project.

Leith Chooses – Funding to provide hot meals for the community through the meals on wheels service, specifically in the Leith area of Edinburgh.

Tesco Bank – Corporate fundraising received in year and balance brought forward, funding to be spend in 2022/23 for the LifeCare recovery of services.

Foundation Scotland Care for Carers – Funding to provide one to one support to carers in the community.

Innovation Fund- Funding provided from Edinburgh City Council for additional day centre services supporting clients who are in long term hospital stay. Funding start date has been deferred due to pandemic.

TOR Christian Foundation- Funding to cover the cost of raising training levels of staff so that all staff providing registered care are SVQ level 3 qualified.

The Building Collaboration - funding for the Vintage Vibes Development Manager role and of facilitated away days to provide further project development. As well as a contribution towards rental of a shared office space for the Vintage Vibes team and budget towards staff CPD.

Community Link - Funding for workers who are located in the local GP surgeries in Stockbridge to assisting social prescribing

EVOC Winter Grant- Funding to support outreach clients during winter pressure period.

Vents Grants CEC – Funding to improve ventilation in Dean Club day Centre.

Adapt and Thrive – Funding for the renovation of CafeLife to enable the kitchen to provide 3 services, to improve the layout of the café following community consultation and the installation of outdoor seating area.

Awards for All – Funding for a new Community Hub Coordinator role within lifecare.

Digital Boost – Funding to 50% cost of telephone upgrade for all front line staff within the organisation.

Inverleith Neighbourhood – Funding to provide planters and plants for the new garden area.

Edinburgh City Council – Covid grants for part closure of centre during pandemic.

Notes (continued)

17 Reserves analysis

2022	Unrestricted Funds			Restricted Funds £	Total per balance sheet £
	Revaluation Funds £	General Funds £	Designated Funds £		
Tangible fixed assets	-	372,145	-	-	372,145
<i>Fixed asset investments:</i>					
Property not readily realisable	-	300,000	-	-	300,000
UK listed investments	59,197	893,066	-	-	952,263
Net assets	-	(90,480)	63,990	216,630	190,140
	<u>59,197</u>	<u>1,474,731</u>	<u>63,990</u>	<u>216,630</u>	<u>1,814,548</u>

2021	Unrestricted Funds			Restricted Funds £	Total per balance sheet £
	Revaluation Funds £	General Funds £	Designated Funds £		
Tangible fixed assets	-	391,746	-	-	391,746
<i>Fixed asset investments:</i>					
Property not readily realisable	-	300,000	-	-	300,000
UK listed investments	37,136	890,524	-	-	927,660
Net current assets	-	1,168	63,990	241,565	306,723
	<u>37,136</u>	<u>1,583,438</u>	<u>63,990</u>	<u>241,565</u>	<u>1,926,129</u>

18 Operating leases

The charity holds surplus office buildings as investment properties as disclosed in note 11, which are let to a third party. Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2022 £	2021 £
Not later than one year	-	13,750

19 Related parties

Donations of £5,011 (2021; £19,216) were received in the year from Lindsays LLP, a limited liability partnership of which one trustee is a member. £nil (2021; £nil) was outstanding at the year end.

Consultancy fees of £2,500 (2021; £2,400) were paid in the year to Edinburgh Risk Management, a company owned by the parents of one Trustee. £nil (2021; £nil) was outstanding at the year end.

Fees of £332 were paid in the year to Kirkmillan Consulting Ltd, a company that one of the Trustees is a director of. £nil was outstanding at the year end.

Notes (continued)

20 Net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	(111,581)	300,924
Depreciation	25,030	26,458
Investment (gains)/losses	(31,553)	(179,328)
Investment income	(52,376)	(53,918)
(Increase)/decrease in debtors	4,080	18,385
(Increase)/decrease in stock	(63)	(547)
Increase/(decrease) in creditors	(9,422)	(388)
	<hr/>	<hr/>
Net cash used in operating activities	(175,885)	111,586
	<hr/>	<hr/>

21 Net cash flow from operating activities

	At start of year £	Cash flow £	At end of year £
Cash at bank and in hand	294,440	127,570	166,870
Cash held as part of investment portfolio	12,478	(26)	12,452
	<hr/>	<hr/>	<hr/>
Net funds	306,918	127,596	179,322
	<hr/>	<hr/>	<hr/>

Statement of changes in net debt

	At start of year £	Cash flow £	At end of year £
Cash at bank and in hand	294,440	(127,570)	166,870
Cash held as part of investment portfolio	12,478	(26)	12,452
Bank loan	(50,000)	5,582	(44,418)
	<hr/>	<hr/>	<hr/>
Net funds	256,918	(122,014)	134,904
	<hr/>	<hr/>	<hr/>

22 Financial Instruments

	2022 £	2021 £
Carrying amount of financial assets		
Measured at fair value	1,252,263	1,227,660
	<hr/>	<hr/>

Financial assets measured at fair value consist of the investment property and the UK listed investments. Debt instruments measured at amortised costs consist of trade debtors and other debtors.

23 Ultimate controlling party

The charitable company is constituted by its Articles of Association and is controlled by its Board of Trustees.