

CAPITAL CARERS LTD
A Company limited by guarantee
And not having a Share Capital

Charity Registration No. SC027274

Company Registration No. SC194747

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



**Reference and Administration Details
For the Year ended 31 March 2020**

Trustees: The directors serving during the year and since the year end were as follows:

Fiona R C Cherry Chair
Ruth Campbell (appointed 24 April 2019)
Elke Cradden (appointed 18 March 2020)
Lesley Hinds
Dr Peter Stewart
Edward G Thorn

Secretary: Edward G Thorn

Operations Manager: Moira Fenning (resigned 2nd May 2019)
Ron Carthy. (appointed 2nd September 2019)

Bankers: The Royal Bank of Scotland PLC
12 North West Circus Place
Edinburgh
EH3 6SX

Independent Examiner: Christopher Spalding C.A.
James Anderson & Co
Chartered Accountants
Pentland Estate
Straiton
Edinburgh
EH20 9QH

Registered Office: 1 Granton Mains Avenue
Edinburgh
EH4 4GA

Company Registration No: SC194747

Charity Registration No: SC027274

Governing Document: Articles of Association

Report of the Trustees For the Year ended 31 March 2020

The trustees who are also the directors present their annual report and financial statements of the charity for the year ended 31 March 2020.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association and 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 (Charities SORP FRS 102).

Objects of the charity, principal activities and organisation of our work

The charity's objective and its principal activity is to provide services that support unpaid carers, the people that they care for, the dependents of unpaid carers and the people they care for living in the Edinburgh area, with a particular focus on supporting those living in the City of Edinburgh's North West locality.

What is the organisation about

Vision: Our vision is that all carers living in the Edinburgh area in particular the North West locality get the help and support they need to sustain their caring role.

Mission: Our mission is to provide the highest quality support for Carers throughout North Edinburgh, so that their stress and isolation is reduced.

Our service is Carer-led, welcoming and attentive to individual needs.

Values: We value:-

- being able to provide an approachable friendly service;
- delivering a high quality person-centred service; and
- ensuring that we respond to individuals' needs, wishes and beliefs.

Aim: Our aim is to provide a high quality Carer-led service which has Carers at the centre of what we do. In doing this:-

- We will be a Carer-led organisation.
- We will listen to Carers and respond according to their view and needs where possible.
- We will provide the kind of information Carers need.
- We will facilitate Carer access to information, support and services to enable them to maintain their caring role.
- We will provide services which are responsive and focussed on Carer need.

Achievements and Performance

This year, once again proved to be a challenge with regard to securing funding. However, through continued promotion and development of our Services, robust action by the Board and Staff team, we have experienced an increase in demand and uptake of our services. In particular we appreciated the support of the City of Edinburgh Council in terms of advice and financial support during the year.

With funding secured we have:

- continued to raise awareness of issues facing both Adult and Young Carers
- continued Carers involvement in service planning and provision
- increased the number of referrals and uptake for both Young and Adult Carer Service
- maintained the number of Carers accessing one to one and telephone support sessions
- increased the number of Adult and Young Carers attending Support Groups
- increased service provision in the rural areas of North West Edinburgh
- established our Kirkliston Primary School Group
- one of our young carers was selected to make an animation video for BBC Children In Need
- a group of Young Carers attended a two night residential at the Young Carers Festival
- continued training opportunities for our Young Carers
- continued training days – Dementia Friends
- continued the uptake of Carers accessing the Alternative to Day Care Short break Service
- established a Former Carer Support Group (for bereaved carers)
- established Creative/Art Group for Adult Carers
- increased Carers attendance in recreational, educational and information for Adult Carers
- provided a range of intergenerational social activities and outings
- continued volunteer membership

**Report of the Trustees
For the Year ended 31 March 2020 (Continued)**

Achievements and Performance (Continued)

In addition to service achievements, further outcomes achieved include:

- recruitment of one new Director onto the Board of the charity.
- continued planning and development of services to meet the criteria of the Carers Act (Scotland) 2016.
- agreed a Memorandum of Understanding to establish Edinburgh Young Carers Partnership with two other partners.
- jointly prepared and submitted an Edinburgh Young Carers' Partnership tender to provide young carers support services across the city initially for five years with provision for extension for a further three years.
- participated (ongoing) in Stirling University Research Group into Carer Peer Support models.
- continued to strengthen partnerships working within the Statutory and Voluntary sector

Our thanks as Board members goes to all who have contributed to this effort, in particular our Staff, Support Workers, Volunteers and Funders.

Services provided in 2019/20

Capital Carers Ltd.'s ethos is to provide unpaid Adult and Young Carers with a range of high quality support services, which enables them to have some normality of life whilst carrying out their caring role.

We have continued to provide the following Services:

The Alternative to Day Care Service is a Short break service that provides a Support Worker for a few hours per week (usually 2 -4 hours per week) , to look after the cared for person - thus enabling the Carer some free time to go out, meet friends or relax, knowing that the person they care for is safe. This service is currently free and available to carers and cared for people who are aged 65 and over. The cared for person must not be in receipt of a traditional day care place.

Young Carers Service has continued to raise awareness of Young Carers issues over the past year and continued to support Young Carers aged from 4 to 18 years of age in a variety of supportive ways. These include One to One and small group support; Drop in sessions, PSE (Guidance Department) raising Awareness lessons. We carry out early intervention to identify and provide support to those previously hidden carers.

Young Carers also participate in a range of training courses including First Aid and Practical Cookery to equip the young people for life.

Side By Side Dementia Service provides services primarily for Carers of people living with or affected by dementia or cognitive impairment. The Service also provides a variety of activities that the person with dementia can attend with their carer. These activities include a dementia singing group, walking group, cookery classes all of which are intergenerational.

Carers also receive support via one to one and telephone support, group support, educational, recreational and social activities and outings and can access help and information from us or be signposted on.

Outings and Activities

We continue to provide a range of outings for both our Adult and Young Carers to enjoy some relaxing time out.

These have included trips to Blair Drummond Safari Park, Festival Theatre, Seagull Trust Ratho Barge Trips, and East Fortune Air Museum. Sleepover sessions for Young Carers.

Volunteer and Employment

The charity continues to offer opportunities to local people: Carers and former Carers are actively encouraged to join the charity as Board Members, Staff or Volunteer team. Attended college recruitment days for employment.

We recognise the need to form partnerships going forward and thus to actively engage with other like minded organisations.

Report of the Trustees For the Year ended 31 March 2020 (Continued)

Funding activity

Particular thanks for funding and donations, goes to:

- The City of Edinburgh Council Grants Department
- Life Changes Trust
- BBC Children In Need
- CATS
- Robertson Trust
- One City Trust
- Aviva Charities Trust
- Blackhall St Columba's Church of Scotland, Edinburgh
- ECHT Trust
- Greggs Community Fund
- Queensferry Dementia
- Scotmid Co-op Community Fund
- Youthlink Scotland
- Carers, for their donations to us
- Local shops, churches and businesses for gifts and donations

Financial Review

The Statement of Financial Activities (SOFA) shows the net movement in funds as operational surplus £12,330 and a credit for re-measurement of the liability by the Pensions Trust of £1,012 - in total £13,342 (2019: surplus £28,222). The movement of the restricted funds was a surplus of £28,214 (2019: surplus £10,738). The balance on restricted funds at the year end £51,513 (2019: £23,299) is earmarked for restricted expenditure in the year ahead.

There is a deficiency on the unrestricted fund of £44,489 (2019: £57,831) which consists:

	2020 £	2019 £
Pension scheme liability (note 12)	(63,793)	(74,592)
Share of net assets	19,304	16,761
	<u>(44,489)</u>	<u>(57,831)</u>

Reserves Policy

The free reserves at the year-end stood at £19,304 (2019: £16,761) before allowing for the ongoing pension liability. This reserve is not considered a sufficient reserve against variations in funding which can arise from time to time and to meet the obligation of the pension fund deficiency.

Ideally the Trustees would aim to have unrestricted reserves of an amount no less than three months expenditure. This constantly proves difficult to achieve due to the ongoing challenge in securing the required levels of funding.

The Charity's ongoing activities in terms of costs and income received are closely monitored against a budget which encompasses a cash flow forecast.

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. As the social and economic regeneration of North Edinburgh continues, it is vital to recognise the importance of our high quality service and how the services benefit the Carers within our Community.

Reference and Administrative Details

The information relating to Capital Carers Ltd is on page 1

Report of the Trustees For the Year ended 31 March 2020 (Continued)

Structure Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 29 March 1999 and registered as a charity on the same date. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by, or in accordance with, its Articles of Association. Revised and updated Articles of Association were approved on 2 October 2017 and adopted on 1 April 2018. A further updated Articles of Association was approved and adopted on 19 November 2019.

Recruitment and Appointment of the Board Trustees

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Directors. At each Annual General Meeting, new and existing Directors must have the support of those present at the AGM and be voted onto the board in order to take up their Directorship or failing which they must stand down. Details of Trustees and changes in the year are noted on the contents page.

Trustees Induction and Training

New Trustees apply and are interviewed by the Chair and one other Board member to ensure that they and the charity are suited to each other. They then participate in an induction programme which includes meeting with the staff team and Board of Directors to familiarise themselves with the charity and the context within which it works. They are also provided with a range of documents related to their new role with the charity. Most of the Trustees are familiar with the work of the charity and have personal experience of being a carer, prior to joining the Board. Directors with specialist expertise and knowledge provide training and mentoring to other Directors and staff from time to time.

Organisational Structure

The charity is organised so that the Trustees meet monthly to manage its affairs. The Board is responsible for making decision and a record of these is contained in the minutes of each meeting.

The staff team are employed to deliver the day to day services and to provide allocated and supervise paid Support workers, and volunteers. The staff team (as at 31 March 2020) are:-

Ron Carthy - Operations Manager
Rosie Moorhead - Carer Practitioner Side By Side Dementia Service
Lisa Millar - Carer Practitioner, Young Carers Service
Vicky Scanlin - Finance Manager
Glenda Bathgate - Support Worker, Alternative to Day Care Service
Kathleen Asher - Support Worker, Alternative to Day Care Service
Susan Wilson - Support Worker, Alternative to Day Care Service
James McDonald - Support Worker, Young Carers Service

Key management personnel remuneration

The Trustees consider that they along with the Operations Manager comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and Related Party Transactions are disclosed in note 2.

Trustees are required to disclose all relevant interests and register them with the Company Secretary and in accordance with the Society's policy withdraw from decisions where a conflict of interest arises.

The Trustees are responsible for appointing the care centre staff. The level of the salaries is reviewed annually in accordance with rates appropriate for the roles.

Related Parties

The charity does not operate in isolation and where practicable, we need to take into account local and national policy and other developments. This is fundamental in enabling the charity to play a vital role in the local community, identify funding, to build good networks and partnerships relationships. In particular there is a close working relationship with The City of Edinburgh Council, Health and Social Care Department.

**Report of the Trustees
For the Year ended 31 March 2020 (Continued)**

Risk Statement

The charity aims to work towards minimising risk in all areas and as such it is ongoing work for both the Board and Staff. Internal risks are minimised through risk assessment which are underpinned by a range of policies and procedures. These are in place to ensure compliance with the health, welfare and safety of staff, volunteers, visitors, clients and young people visiting the charity and are subject to regular review and updates.

Each year this report raises the issue of the increasing competition and changing nature of funding which the charity has access to, and this year is not different. The accounts include details of the deficit the organisation has in terms of Pension obligations to past staff who were employed prior to 2010.

The current Board has to act on the basis that the multi-employer pension arrangement was set up in good faith, was based on the best advice and practice of the day. This has left the charity with not only an inherited obligation to past employees but a shared liability with other participating employers, as returns are linked to investment performance. In terms of the shared liability with other employers, this also means that the charity is allocated a share of any shortfall but also shares the liability when other participating employers leave the scheme through inability to meet their obligations. This has left the charity with an ongoing future liability for the historical pension scheme, which it will require to meet annually for the foreseeable future, through unrestricted funding.

Staff currently in the employment of the charity all have access to new pension arrangements including the Government Scheme. These are included as part of the costing for all current and future applications for funding, most of which are restricted for the purpose of the outcomes stated in each application and cannot be used for the historical pension liability.

As donations and grant income are mostly received to cover periods up to one year, applications are made to funders on a regular basis. As a result, an annual budget and cash flow projection is prepared and this is monitored and updated each month.

Covid-19

The Prentice Centre closed in March following the lockdown restrictions imposed by the UK Government. This resulted in all staff working from home and a decision was taken by the Board that no one would go onto furlough. This decision was supported by our funders. This has brought practical difficulties with regard to certain aspects of our administration but these are being worked through by staff and the Treasurer

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

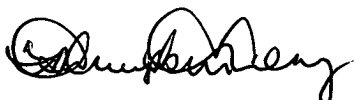
**Report of the Trustees
For the Year ended 31 March 2020 (Continued)**

Independent Examiner

Christopher Spalding C.A. has indicated his willingness to continue in office and a resolution proposing his re-appointment will be put to the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By Order of the Board

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

Fiona Cherry, Chair

10 December 2020

**Independent Examiner's Report to the Members
For the year ended 31 March 2020**

I report on the accounts of the charity for the year ended 31 March 2020 which are set out on pages 9 to 18.

Respective responsibilities of the Trustees and independent examiner

The Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Trustees and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given in the accounts.

Independent examiner's statement

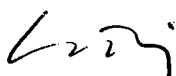
In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met

2. In my opinion, there is doubt that funding can be obtained to meet the liability to The Pensions Trust over a period stretching to seven years. The accounts are prepared on a going concern basis as the Charity has demonstrated that it can meet its obligation to the Pensions Trust in the short term and provide for its budgeted expenditure.



Christopher Spalding
Chartered Accountant (ICAS)
Pentland Estate
STRAITON
Edinburgh
EH20 9QH

10 December 2020

Statement of Financial Activities (Including Income and Expenditure Account)
For the Year ended 31 March 2020

	Notes	Unrestricted Fund £	Restricted Funds £	Total 2020 £	Total 2019 £
Income					
Donations		13,327	-	13,327	7,593
Bank interest		42	-	42	30
Income from charitable activities	4	4,680	153,028	157,708	171,639
Total Income		<u>18,049</u>	<u>153,028</u>	<u>171,077</u>	<u>179,262</u>
Expenditure					
Expenditure on Charitable activities	5	5,719	124,814	130,533	152,971
Total Expenditure		<u>5,719</u>	<u>124,814</u>	<u>130,533</u>	<u>152,971</u>
Net Income (Expenditure)		12,330	28,214	40,544	26,291
Other recognised gains					
Additional gains in defined benefit pension scheme	12	1,012	-	1,012	12,669
Net movement in funds		13,342	28,214	41,556	38,960
Total funds brought forward	10	(57,831)	23,299	(34,532)	(73,492)
Total funds Carried Forward	10	<u>(44,489)</u>	<u>51,513</u>	<u>7,024</u>	<u>(34,532)</u>

The results set out above derive wholly from the continuing operations of the charity. The charity has no recognised gains or losses other than as stated above.

Balance Sheet
As at 31 March 2020

	Notes	2020 £	2019 £
Tangible Fixed Assets	7	<u>1,048</u>	<u>1,398</u>
Current Assets			
Bank & cash		72,831	42,197
Creditors			
Amounts falling due within one year	8	<u>3,062</u>	<u>3,535</u>
Net Current Assets		<u>69,769</u>	<u>38,662</u>
Net Assets excluding pension liability		70,817	40,060
Defined benefit pension scheme liability		<u>(63,793)</u>	<u>(74,592)</u>
		<u>7,024</u>	<u>(34,532)</u>
Reserves			
Unrestricted fund	10	(44,489)	(57,831)
Restricted funds	10	<u>51,513</u>	<u>23,299</u>
		<u>7,024</u>	<u>(34,532)</u>

These annual accounts have not been audited because the charity is entitled to the exemption provided by S477 of the Companies Act 2006 and members have not required the charity to obtain an audit of its accounts for the period in accordance with S476 of the Companies Act 2006. The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records that comply with S386 of the Companies Act 2006. The Trustees also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the financial year in accordance with S396 Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the charity. These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small charitable companies. The financial statements on pages 9 to 18 were approved on 10 December 2020 and signed on its behalf by:

Edward G Thorn

Trustee

**Notes to the Financial Statements
For the Year ended 31 March 2020**

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of Accounting

The financial statements have been prepared in accordance with 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 (effective 1 January 2015) - (Charities SORP (FRS 102), and the Companies Act 2006.

North West Carers meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

- b) The financial statements are prepared on a going concern basis. The charity has ingathered funding to meet its budgeted expenditure and payments to The Pension Trust for the current financial year. According to its cash flow forecast and with further income applications made by the charity's fundraiser, expenditure and Pension Trust payments are covered for the year ahead. The main funder City of Edinburgh Council has maintained its financial support of the charity in the year 2019/20 and is in discussions to continue that support.

The restricted fund expenditure is budgeted to be met from funds carried forward from 2019/20 and new funding applications.

The Balance Sheet has a large unrestricted fund deficit due to the requirements of FRS 102 whereby the charity's share of The Pensions Trust repayment plan is shown as a liability stretching over 7 (previous assessment 11 years) years.

c) Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and grants are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

d) Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

e) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities. All support costs have been allocated to expenditure on charitable activities.

f) Fund accounting

Unrestricted funds can be used on any activity within the charitable objectives of the charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to use for a specific purpose.

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

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

Notes to the Financial Statements (Continued)
For the Year ended 31 March 2020

g) Tangible fixed assets and depreciation

All assets costing more than £1000 are capitalised and valued at historical cost. Depreciation is charged from the year of acquisition on equipment on a 25% reducing method balance.

h) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Cash at bank and in hand

Cash at bank and cash in hand includes costs 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.

j) 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 the 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 after allowing for any trade discounts due.

k) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

l) Pensions

Capital Carers Ltd. (formerly North West Carers) is a member of the Scottish Voluntary Sector Pension Scheme (The Scheme) which is a multi-employer defined benefit scheme. This Scheme closed to future accrual on 31 March 2010 and it is not possible to confirm NWC's share of underlying assets and liabilities of the Scheme and is therefore accounted for as a defined contribution scheme. The Scheme is currently in deficit and a deficit funding arrangement is in place with NWC. The net present value of the deficit reduction contributions payable under the agreement are reflected as a provision on the balance sheet and the movements on this provision in each period charged or credited through the Statement of Financial Activities.

NWC also operates a group personal pension scheme on a defined contribution basis. The contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

m) Donations in Kind

During the year the charity was fortunate to have the assistance of a number of volunteers. No financial recognition of these benefits is made in the accounts.

2. Related party transactions and trustees' expenses and remuneration

The trustees will give freely of their time and expertise without any form of Trustee remuneration in this and the previous year. No expenses were paid to the Trustees (2019: £68).

3. Income

The charity's income consists of donations and grants and is stated net of value added tax where applicable. Income is attributable to the one continuing activity, which is to operate services to benefit carers in Edinburgh and in particular the North West Edinburgh community and provide access to training and employment.

Notes to the Financial Statements (continued)
For the Year ended 31 March 2020

4. Income resources from charitable activities	2020	2019
	£	£
Unrestricted Grants	4,680	9,453
Restricted Grants		
- City of Edinburgh Council		
Dept of Health & Social Care	106,359	101,388
- One City Trust	8,000	5,000
- Life Changes	11,250	18,750
- Robertson Trust	17,000	15,000
- Neighbourhood Partnerships	-	1,543
- Children in Need	9,969	9,969
- Youthlink Scotland	-	2,646
- Carers Transitional Funding	450	7,890
	<u>153,028</u>	<u>162,186</u>
5. Expenditure on charitable activities		
- Salaries & national insurance	85,083	90,077
- Support worker salaries	20,954	15,002
- Employers pension contributions	807	2,025
- Pension deficit interest expense	1,015	2,271
- Subscriptions	352	305
- Travelling costs	-	76
- Assessment expenses	2,393	2,265
- Alternative day care	1,261	540
- Young carers	2,673	7,556
- Respite care	-	1,155
- Dementia Care	804	12,172
- Insurance	544	535
- Rent & room hire	7,449	5,728
- Telephone & internet	2,195	1,098
- Printing & stationery	73	396
- Maintenance of premises & office equipment	-	5,579
- Payroll service	1,333	1,245
- Fundraising & HR advice	700	700
- Website hosting & upgrade	-	813
- IT consultant & training	-	1,550
- Independent examiners fee & accountancy	1,200	1,080
- Sundry items	1,347	337
- Depreciation	350	466
	<u>130,533</u>	<u>152,971</u>
Accounted for within Restricted funds	124,814	151,448
Accounted for within Unrestricted fund	5,719	1,523

Notes to the Financial Statements (continued)
For the Year ended 31 March 2020

	2020 £	2019 £
6. Staff Costs		
Wages & salaries	103,054	101,871
Social security costs	5,983	6,208
Employment allowance	(3,000)	(3,000)
Pension contributions	807	2,025
	<u>106,844</u>	<u>107,104</u>

No employee earned £60,000 or more. Pension contributions are made in respect of 4 members of staff. The average headcount of staff employed by the charity during the year was:

Staff members engaged in direct work of the charity	11	11
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Key Management Personnel

Salaries paid to key management personnel amounted in aggregate to £20,611 (2019: £24,273) ie total cost including employer's pension and national insurance contributions.

7. Tangible Fixed Assets

	Equipment Young Carers £	Computer Equipment £	Total £
Cost			
At 31 March 2019 & 2020	<u>2,308</u>	<u>2,751</u>	<u>5,059</u>
Depreciation			
At 31 March 2019	1,478	2,183	3,661
Charge for year	<u>208</u>	<u>142</u>	<u>350</u>
At 31 March 2020	<u>1,686</u>	<u>2,325</u>	<u>4,011</u>
Net Book Value			
At 31 March 2019	622	426	1,048
At 31 March 2018	<u>830</u>	<u>568</u>	<u>1,398</u>

All fixed assets are used in direct furtherance of the charity's objectives.

	2020 £	2019 £
8. Creditors		
Amounts falling due within one year		
Social security costs	1,304	1,728
Accrued expenses	<u>1,758</u>	<u>1,807</u>
	<u>3,062</u>	<u>3,535</u>

9. Pension Scheme

The company contributes to defined contribution money purchase schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £807 (2019: £2,025).

The Pension Trust deficiency costs / credit charged to the statement of financial activities are £3 debit (2019: Credit £10,398).

Notes to the Financial Statements (continued)
For the Year ended 31 March 2020

10. Statement of Funds

	Balance 31 March 2019 £	Incoming Resources £	Outgoing Resources £	Balance 31 March 2020 £
Unrestricted Fund				
General fund	(57,831)	19,061	(5,719)	(44,489)
Restricted Funds				
City of Edinburgh Council	3,064	25,000	(21,562)	6,502
CEC – Dementia Support	470	20,000	(16,163)	4,307
CEC – Young Carers Support	711	20,000	(18,393)	2,318
CEC – Assessment Support	34	21,388	(20,503)	919
Children in Need	2,365	9,969	(9,211)	3,123
Life Changes Trust	10,816	11,250	(7,853)	14,213
CEC - matched funding	383	16,972	(12,711)	4,644
Robertson Trust	-	17,000	(13,851)	3,149
Widowers' Childrens' Home Trust	2,822	-	-	2,822
One City Trust	2,073	8,000	(2,830)	7,243
Carers Transitional Trust	561	450	(96)	915
Young Carers Statement	-	2,999	(1,641)	1,358
	23,299	153,028	(124,814)	51,513
Total Funds	(34,532)	172,089	(130,533)	7,024

	Balance 31 March 2018 £	Incoming Resources £	Outgoing Resources £	Balance 31 March 2019 £
Unrestricted Fund				
General fund	(86,053)	29,745	(1,523)	(57,831)
Restricted Funds				
City of Edinburgh Council	756	25,000	(22,692)	3,064
CEC – Dementia Support	-	20,000	(19,530)	470
CEC – Young Carers Support	-	20,000	(19,289)	711
CEC – Assessment Support	-	21,388	(21,354)	34
Children in Need	-	9,969	(7,604)	2,365
Life Changes Trust	6,965	18,750	(14,899)	10,816
Queensberry Trust - matched funding	2,018	-	(2,018)	-
CEC - matched funding	-	15,000	(14,617)	383
Robertson Trust	-	15,000	(15,000)	-
Neighbourhood Partnerships	-	1,543	(1,543)	-
Widowers' Childrens' Home Trust	2,822	-	-	2,822
One City Trust	-	5,000	(2,927)	2,073
Youthlink Scotland	-	2,646	(2,646)	-
Carers Transitional Trust	-	7,890	(7,329)	561
	12,561	162,186	(151,448)	23,299
Total Funds	(73,492)	191,931	(152,971)	34,532

Notes to the Financial Statements (continued)
For the Year ended 31 March 2020

10. Statement of Funds Continued

The General Fund represents an unrestricted fund which the Charity is free to use in accordance with its objects.

The Restricted Funds are:

City of Edinburgh Council - To fund staff salaries, associated costs for the posts and premises and overhead costs.

City of Edinburgh Council - To fund dementia support for carers.

City of Edinburgh Council - To fund support for young carers.

City of Edinburgh Council - To fund assessments of adults and young carers.

Children in Need - To fund a support worker.

Life Changes Trust - To fund a dementia support worker.

City of Edinburgh Council - to fund dementia support worker – matched funding with Life Changes Trust.

Robertson Trust - To fund a young carers support worker.

Widowers' Childrens' Home Trust - To fund outlays and expenses of young carers worker.

One City Trust - To fund respite care activities.

Carers Transitional Trust - To fund expenditure on computer & telephone equipment and provide training.

Young Carers Statement – Funding Funding from The City of Edinburgh Council to pilot 25 young carers statements of need which these young carers have to be offered the opportunity to complete.

11. Analysis of Net Assets between Funds

<i>Current</i>	Fixed Assets £	Net Current assets £	Pension Liability £	Total £
Unrestricted Fund	1,048	18,256	(63,793)	(44,489)
Restricted Funds	-	51,513	-	51,513
	<u>1,048</u>	<u>69,769</u>	<u>(63,793)</u>	<u>7,024</u>
<i>Previous</i>	Fixed Assets £	Net Current assets £	Pension Liability £	Total £
Unrestricted Fund	1,398	15,363	(74,592)	(57,831)
Restricted Funds	-	23,299	-	23,299
	<u>1,398</u>	<u>38,662</u>	<u>(74,592)</u>	<u>(34,532)</u>

Notes to the Financial Statements (continued)
For the Year ended 31 March 2020

12. Pension Obligations

The company participates in the scheme, a multi-employer scheme which provides benefits to some 102 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

Deficit Contributions

From 1 April 2019 to 30 September 2026: £1.5m / per annum
(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	31 March 20 £	31 March 19 £	31 March 18 £
Present value of provision	63,793	74,592	94,443

Notes to the Financial Statements (continued)
For the Year ended 31 March 2020

12. Pension Obligations Continued

Reconciliation of opening and closing provisions

	2020 £	2019 £
Provision at start of year	74,592	94,443
Unwinding of the discount factor (interest expense)	1,015	2,271
Deficit contribution paid	(10,802)	(9,453)
Re-measurements - impact of any change in assumptions	(2,290)	1,503
- amendments to contribution schedule	1,278	(14,172)
Provision at end of year	<u>63,793</u>	<u>74,592</u>

Income and expenditure impact

Interest expense	1,015	2,271
Re-measurements – impact of any change in assumptions	<u>(1,012) Cr</u>	<u>(12,669) Cr</u>
	<u>3 Dr</u>	<u>(10,398) Cr</u>

Assumptions

	2020 % per annum	2019 % per annum	2018 % per annum
Rate of discount	2.57	1.46	2.01

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.