

**LGBT
HEALTHY LIVING CENTRE
FINANCIAL STATEMENTS
FOR
YEAR ENDED
31 MARCH 2011**

**Charity Number SC034216
Company Number SC246290**

WITELAW WELLS
Chartered Accountants & Statutory Auditors
9 Ainslie Place
Edinburgh
EH3 6AT

WEDNESDAY



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COMPANIES HOUSE

LGBT HEALTHY LIVING CENTRE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

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LGBT HEALTHY LIVING CENTRE
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 MARCH 2011

Directors

Turan Ali	
Jonathan MacBride	(reappointed 21.10.10)
Heather McCluskey	(appointed 23.08.10)
Trevor Owen	
Jean Reid	(appointed 23.08.10 and resigned 28.02.11)
Peter Roberts	(reappointed 21.10.10)
Judith Syson	
Brian Thompson	(resigned 28.03.2011)

Secretary

Maruska Greenwood

Director (not a director re Companies Act)

Maruska Greenwood

Company Number

SC246290

Registered Office and operation address

9 Howe Street
Edinburgh EH3 6TE

Senior Statutory Auditor

David Main

Auditors

Whitelaw Wells
Chartered Accountants & Statutory Auditors
9 Ainslie Place
Edinburgh EH3 6AT

Bankers

Lloyds TSB
28 Hanover Street
Edinburgh EH2 2DS

LGBT HEALTHY LIVING CENTRE

DIRECTORS ANNUAL REPORT

YEAR ENDED 31 MARCH 2011

Our organisation

The LGBT Centre for Health and Wellbeing (LGBT Healthy Living Centre) is a unique Edinburgh-based Healthy Living Centre initiative which opened in 2003. Its purpose is to promote the health, wellbeing and equality of lesbian, gay, bisexual and transgender (LGBT) people in Scotland. It provides support, services and information to improve health and wellbeing, reduce social isolation and stimulate community development and volunteering.

The organisation's key objectives are:

- To provide a programme of activities which tackle the life circumstances that contribute to ill-health of LGBT people
- To reduce levels of isolation and social exclusion experienced by LGBT people
- To strengthen the capacity of the LGBT community to promote the health of individuals
- To support individuals to adopt and sustain healthy lifestyles
- To ensure that LGBT people have equity of access to mainstream health services and information which are responsive to their needs.

This has been an exhilarating year of dramatic growth, which has seen the staff team nearly treble, the significant expansion of existing programmes and the launch of a range of new groundbreaking projects. This organisational growth has been possible thanks to the organisation's tremendous success in attracting funding from both national and local funders. Some of the key organisational achievements and developments over this period are highlighted in this report, together with our plans to build on those successes.

Service Delivery

The organisation continued to improve its community reach and increase the uptake of its services. In 2010-11 our beneficiary numbers were:

- 2,885 individuals accessed our group activities and programmes
- 430 individuals accessed 1:1 support (helpline, mental health service, advocacy, befriending)
- 45 individuals participated in our volunteering programme
- 220 enquiries from mainstream service providers responded to
- 300 participants in our training and awareness-raising sessions
- 22 focus groups and consultations contributed to
- 1,600 individuals and organisations received regular up-to-date LGBT health, equality and community-related information through our e-bulletins

Mental Health Project

This year saw the launch of our Scottish Government funded national LGBT Mental Health Demonstration Project. This project provides a unique opportunity to help gain a better understanding of LGBT communities and their needs in relation to mental health and wellbeing, both locally and nationally, and contribute to the development of an LGBT equality audit tool to track progress in relation to equitable access and experience of services.

A new full time Project Manager, Development Worker and Project Assistant were appointed to deliver the LGBT Mental Health Project. At its core the project involves the delivery of a local specialist service in Lothian, which is part-funded by NHS Lothian. This service aims to support individuals experiencing poor mental health and, through the evaluation of this work, consultation and research, build up knowledge of the mental health needs of LGBT people and, over the course of the project, develop an evidence base around the most effective interventions to address the mental health inequalities experienced by lesbian, gay, bisexual and transgender people.

LGBT HEALTHY LIVING CENTRE
DIRECTORS ANNUAL REPORT (continued)
YEAR ENDED 31 MARCH 2011

The new Lothian-based LGBT Headspace Programme builds on the organisation's experience of delivering the Mind Matters mental health and wellbeing programme. It provides culturally sensitive services to help redress the critical levels of poor mental health, including:

- One-to-one support: assessment appointments and ongoing individually tailored support.
- Workshops: information and taster sessions such as art therapy, assertiveness, personality disorder, post traumatic stress disorder, alcohol awareness and relaxation.
- Courses: addressing specific mental health issues in more depth, including living life to the full, anxiety management, mindfulness and self harm self help.
- Groups: time limited and ongoing groups such as a personal development weekend, LGBT therapy group, women's wellbeing group and mindfulness continuing practice group.

The delivery of such a wide range of activities is made possible through extensive partnership work and the generous provision of in kind support from mainstream mental health practitioners and organisations. The Headspace programme is closely linked in with the organisation's other programmes, to ensure individuals are provided with holistic support that also addresses mental health risk factors such as social isolation, discrimination and hate crime.

The LGBT Mental Health Project is unique in Scotland. It sets out to provide invaluable learning that will be of widespread interest to the mental health field and has already generated extensive interest and support. The impact of the organisation's mental health work was recently recognised through its shortlisting for the prestigious Principles into Practice Network Awards in the 'respect for diversity' category.

LGBT Age Project

The groundbreaking LGBT Age Project was launched in June 2010, following the appointment of the LGBT Age Coordinator. It offers social opportunities, befriending, information and advocacy for LGBT people over 50. Through high profile celebrity endorsement, including from the late Edwin Morgan OBE, widespread publicity was achieved for the new project.

The service is now successfully offering one-to-one befriending, regular social opportunities and is, largely through the use of volunteer advocates who are themselves older LGBT people, raising awareness of the much overlooked needs of older LGBT people. Volunteers are also involved in publicising and promoting the project, to ensure it has as wide a reach as possible, as over time the aim is to work increasingly with more socially isolated and harder to reach individuals.

The development of the project is informed by a multi-agency Advisory Group and the project has successfully built vital links with local social care and support agencies. The Age Project works closely with other services, to ensure individuals are linked in to many of the social activities our own organisation provides for LGBT people of all ages, as well as providing signposting and support for individuals to access mainstream programmes and services.

LGBT Social Capital Programme

The organisation was successful in securing a City of Edinburgh Council Fairer Scotland Fund tender to deliver its LGBT Social Capital Programme. This programme launched in September 2010 and enabled us to resource, consolidate and expand our delivery of core activities that build social capital and reduce health inequalities. Social capital outcomes were achieved through a programme of social activities, events, volunteering and capacity building support to community groups. A new full time Community Development Worker was appointed to enable delivery of the tender and the programme was further supported by volunteers and a Trainee Project Assistant, through a placement from the Edinburgh Job Fund.

LGBT HEALTHY LIVING CENTRE
DIRECTORS ANNUAL REPORT (continued)
YEAR ENDED 31 MARCH 2011

Social Programmes The organisation provides a year round programme of social events that offer a vibrant alternative to the gay commercial scene. Regular drop-ins provide a welcoming and inclusive social space and a good gateway to the organisations many other programmes.

A large volunteer Events Team support staff in delivering a programme of wide-ranging community social events, including regular yearly events such as our Community Summer Fete, Pride Breakfast, Celebrate Bisexuality Day, Community Sports Day and Winter Concert, as well as our new Community Discussion Evenings, LGBT Glee Club and Film Club.

LGBT Arts We have continued to develop and expand our programme of arts and creative activity and ran a successful third annual LGBT Arts Festival. This culminated in the LGBT Lives exhibition which showcased original artworks from over 40 contributors – from first time exhibitors to established artists. The exhibition was held in a mainstream community venue, and the opening night showcased not just visual arts, but also the wider creative work generated as part of the festival. The exhibition proved a positive and powerful platform to raise awareness of LGBT issues and the organisation's work, as well as to combat some of the still all too prevailing negative stereotypes that exist about lesbian, gay, bisexual and transgender people.

LGBT Active This programme aims to increase the levels of physical activity among LGBT people by providing safe and supportive groups and activities. LGBT Active continues to expand the breadth of activities on offer (including swimming, jogging, yoga, gardening, basketball and fitness group) and to provide capacity building support to a range of community sports groups, such as the Amazing Gracies Women's Football Club and ShuttleScots Badminton Club. The programme now has its dedicated team of volunteers who help develop and deliver events and activities.

Transgender Programme Alongside a wide range of trans-inclusive social activities, a trans-specific programme of drop-ins, groups and activities is also provided. This programme has included 'Different Strokes' trans swimming sessions, community safety and assertiveness workshops, Life Skills Course and a film-making group.

Community Groups The organisation has continued to host and support a wide range of identity, interest and support-based community groups which improve the social networks of LGBT people.

Helpline, Information and Advocacy Service

In July 2010 a small-scale specialist Information and Advocacy service was launched with the LGBT Homelessness Debate. This event brought together mainstream housing providers and LGBT individuals and organisations to raise awareness of LGBT issues around housing and homelessness and stimulated dialogue around how this sector can better meet the needs of LGBT people.

The Information and Advocacy Service helps ensure LGBT people have access to relevant information and support to access health, social care, leisure and housing services. The service sits alongside the LGBT Helpline which provides information, support and referrals in relation to sexuality and coming out, gender identity, relationship, sexual health, community safety and emotional wellbeing issues.

Community Safety

A specific programme has been developed to increase community safety and improve the reporting of hate crime. This programme provides police surgeries, community safety events and information, remote reporting facilities, one-to-one support to victims, as well as strategic involvement in key local and national fora addressing LGBT community safety issues.

LGBT HEALTHY LIVING CENTRE
DIRECTORS ANNUAL REPORT (continued)
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Both the information and community safety services are largely delivered by a full-time Outreach & Support Worker.

Volunteer programme

The organisation has a strong commitment to providing LGBT people, and those committed to equality and human rights, with opportunities to volunteer with an organisation that represents their interests and concerns. Volunteers are involved in the organisation's work in a myriad of ways, including the development and delivery of social events, befriending, drop-ins, LGBT Active, project support and publicity, as well as on the Board of Directors.

A regular rolling programme of induction and ongoing training is now provided for all volunteers, alongside regular volunteer meetings. As staff capacity has increased, volunteer management systems have been further developed to help ensure individuals get the most out of their volunteering. The organisation was pleased to achieve its Investing in Volunteers quality assurance accreditation in late 2010.

Training, capacity building and partnership work

The organisation is strongly committed to partnership work and works with an extensive range of individuals, groups and other LGBT, health and voluntary sector organisations to develop and deliver many of its programmes and services. The work of both the LGBT Mental Health Demonstration Project and the LGBT Age Project are guided by a multi-agency Advisory Group on which local and national partner organisations are represented. This ensures these projects are informed by wide-ranging expertise and have support and buy-in from key stakeholders in the mental health, older people and LGBT sectors.

The organisation is also closely linked to other initiatives working in the community development and health inequalities field, including through its membership of the Lothian Community Health Initiatives Forum and the Scottish Healthy Living Centre Alliance.

The organisation in turn contributes its expertise on LGBT issues to a wide range of individuals and organisations, including by participation in steering and advisory groups coordinated by statutory agencies such as NHS Lothian, NHS Health Scotland, The Equality and Human Rights Commission, City of Edinburgh Council and Lothian and Borders Police. The Centre frequently hosts and promotes focus groups that provide community members with the opportunity to contribute an LGBT perspective to local and national consultations on a wide range of health, wellbeing and equality related issues.

The organisation responds to a wide range of information and guidance requests from mainstream professionals and organisations. It provides bespoke training to voluntary and statutory sector organisations, ranging from more general awareness raising around LGBT issues to specialist sessions on mental health, housing, sexual health, transgender or older people issues. This work is key to our relationship building with mainstream organisations and to ensuring that LGBT people are provided with more culturally sensitive and appropriate services.

Achievements and performance

Alongside this tremendous growth in service delivery, which has seen the launch of a number of new specialist projects and initiatives, there has been a strong focus on continuing to ensure high quality service delivery. This has meant initiating a review of policies and practice guidelines and work to attain the Investing in Volunteers accreditation.

LGBT HEALTHY LIVING CENTRE
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Our annual Service Evaluation was carried out in November 2010. The evaluation was more rigorous than previous ones. We received 126 responses to an evaluation survey which was made available in paper form and electronically. The service user profile information demonstrated a wide range of individual's access the organisation's services:

- Age: the age range of service users was 15-88 years old: 3 in 5 were 26-49 years old; 1 in 5 over 50; 1 in 5 was under 26.
- Gender: there was an even split between those identifying as male and female; 1 in 14 identified as 'other'.
- Transgender status: 1 in 6 said that they presently or have previously identified as transgender, indicating that proportionately a very high number of transgender people are accessing our services.
- Sexual orientation: 3 in 10 identified as gay male; 3 in 10 as lesbian/gay female; 2 in 10 as bisexual; 1 in 10 as heterosexual; 1 in 10 as 'other'.

The survey also asked about health conditions and disability and found that nearly half of respondents identified as having a long term health condition. The most common long term health condition, 1 in 3 of total respondents, was a mental health problem. In addition to this, 1 in 10 reported a physical disability and 1 in 10 identified as having a learning disability/difficulty (around 4 times the national average).

Due to the lack of LGBT services in many parts of Scotland, individuals often travel from far afield to access our services. Whilst 3 in 4 service users live in Edinburgh, the survey found 1 in 6 had travelled from outside of Edinburgh and Lothians to access our services. This indicates a strong need for specialist service delivery in other parts of Scotland.

The service evaluation showed that respondents felt there was wide ranging impact on their lives as a result of accessing our services. 6 in 7 respondents rated the organisation's staff and volunteers as 'excellent' or 'very good' and many commented on the friendliness, approachability and dedication of the staff and volunteer team.

Survey findings strongly demonstrate the impact of the service on many health and wellbeing outcomes. Findings across services found the following impact:

- 2 in 3 more aware of and part of the LGBT community
- 1 in 2 feel better about themselves, rising to 4 in 5 for those accessing LGBT Headspace
- 2 in 5 reported feeling less lonely, rising to 3 in 5 for those accessing the Transgender Support Programme
- 1 in 3 felt more able to cope, rising to 2 in 3 of those accessing LGBT Headspace
- 1 in 4 were more confident reporting hate crime, rising to 3 in 4 for those accessing Community Safety services
- 1 in 4 reported better physical health, rising to 3 in 4 of those accessing LGBT Active.

The evaluation also looked at access routes, to ensure our publicity strategy is as effective as it needs to be. This is particularly crucial as the organisation is working with very diverse and geographically dispersed communities. There has therefore been a concerted drive to extend the organisation's reach and increase its profile by professionalising and diversifying its publicity tools and further extending its links with voluntary, statutory and private organisations and individuals working in the health, wellbeing, support, equalities, arts and leisure sectors. This work has increased our capacity to publicise the organisation's programmes and services more widely to try to ensure these can be accessed by individuals from all sectors of the community.

LGBT HEALTHY LIVING CENTRE
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Financial review

The organisation's 5-year core funding from the Big Lottery Fund came to an end in early 2008, necessitating a tremendous transition as the organisation moved from being a well-resourced and securely funded Healthy Living Centre to a much smaller organisation struggling for its very existence. Two years of transitional funding from the Scottish Government for Healthy Living Centres proved vital in ensuring the organisation's survival, and allowed it the time needed to secure new sources of funding and diversify its income streams.

The organisation's survival and subsequent growth has been possible thanks to its tremendous success in attracting funding, leveraging in substantial grants from national and local statutory funders, as well as from Trusts, Foundations and corporate funders. The organisation has had to develop and implement a robust Finance and Fundraising Strategy to ensure its sustainability. This strategy has taken a two pronged approach to fundraising, which has seen the Director primarily focusing on relationship building with statutory partners to generate further funding commitments. This has resulted in local statutory commissioners, NHS Lothian and City of Edinburgh Council, providing vital funding for some of the organisation's core functions and services. In addition the Equality and Human Rights Commission (EHRC) has funded information, community safety and equality work, whilst the Scottish Government has provided the bulk of the funding for the new national LGBT Mental Health Demonstration Project.

Alongside this there has been considerable effort put into submitting funding bids to trusts and foundations. Following the departure of our part-time Trusts and Funds Officer, the post was replaced with a more senior full-time Fundraising Manager to increase the organisation's capacity to submit funding bids, as well as enable effective liaison and reporting to funders.

The organisation is very grateful for the substantial one-off donation received this year from Lothian Gay and Lesbian Switchboard, which upon closure transferred the remainder of its assets to us.

Additional unrestricted revenue was also generated from a small scale social enterprise room hire business, run by the Administrator & Project Assistant, and through office rental. However the expansion of the staff team, which has over the course of the year increased from 3.5 to 10 full-time staff, has meant that the organisation has needed more office space for its own use, and thus the ability to generate income from the building has declined.

The organisation continues to critically examine all aspects of expenditure to identify useful savings. The charity, with the aid of sound financial management and the support of both its staff and volunteers, has generated a positive financial outcome for the period. The net incoming resources for the year amounted to £1,066 (2010: £80,847, 2009: £20,429), a significant drop from previous years, which reflects the high expenditure on organisational expansion.

Core Funding Sources

In 2011 the principal core funding for the organisation was provided by NHS Lothian from its Health Improvement Fund. Additional core revenue was provided through a successful tender to City of Edinburgh Council's Fairer Scotland Fund. Grants from Lloyds TSB and AstraZeneca provided supplementary core revenue.

Project Funding

Alongside work to maintain, mainstream and develop core services, the organisation has developed a number of distinct health and wellbeing related programmes and projects, and sought funding from a range of sources for these.

LGBT HEALTHY LIVING CENTRE
DIRECTORS ANNUAL REPORT (continued)
YEAR ENDED 31 MARCH 2011

Project based income for 2011 has included:

- Mental Health Project: Scottish Government, NHS Lothian, See Me £85,000
- LGBT Age Project: Esmee Fairbairn, Henry Smith, Rayne Foundation £54,300 (all accounted for in the accounts of 2009-10)
- Support, Information & Advocacy Project: EHRC £26,226
- Transgender Support Programme: Allen Lane Foundation, One City Trust £7,000
- Helpline & Sexual Health: NHS Lothian £11,275.

Investment and Reserves Policy

The organisation is keenly aware of the need to ensure its longer term viability. To provide reliable services on an ongoing basis the organisation must be able to absorb funding setbacks and to take advantage of changes and opportunities. The organisation provides for this by putting aside, where it can afford to and in line with its Reserves Policy, some of its current unrestricted income as a reserve against future uncertainties. Aside from retaining a prudent amount in reserves, held in a higher interest account, most of the charity's funds are spent in the short to medium term.

Auditors

Whitelaw Wells, Chartered Accountants and Statutory Auditors, were re-appointed as the charitable company's auditors at the AGM in October 2010.

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 24 March 2003 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 under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Management Committee

The members of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Directors of the Management Committee. Under the rules of the Memorandum and Articles of Association one-third of the members of the Management Committee are required to resign at each Annual General Meeting and are eligible for re-election.

The Management Committee seeks to ensure that the needs of lesbian, gay, bisexual and transgender community members are appropriately reflected through the diversity of the trustee body and volunteers who register with the organisation are offered the opportunity to attend, observe and be elected onto the Board of Directors.

The Board uses the Edinburgh and Lothian Volunteer Centres and its own website and publicity tools to advertise for members with the specific skill sets required. Applicants for Board membership are requested to provide answers to three questions as part of their application:

- Why do you want to become a member of the Board of Directors of the LGBT Centre for Health and Wellbeing?
- What skills, knowledge and abilities do you consider you will be able to contribute as a member of the Board?
- What benefit do you consider you will get from being a member of the Board?

LGBT HEALTHY LIVING CENTRE
DIRECTORS ANNUAL REPORT (continued)
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Prospective applicants are given an information pack and invited to: attend an informal meeting with the Director to discuss the organisation and Board Membership; attend the organisation-wide Volunteer Induction Training; observe a number of Board meetings and meet separately with a member of the Board of Directors for clarification of any further points.

The information pack includes:

- The obligations of Management Committee members
- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as set out in the latest published accounts

- The latest OSCR guidance for charity trustees
- The latest Annual Report.

Trustees are also invited to attend a number of the organisation's services and events, to meet with staff and develop their understanding of the organisation's aims and objectives and the work carried out by the organisation.

After attending a number of Board meetings as an observer a formal application is submitted. Application content and performance is discussed and membership approved by a majority vote of those Board members present at the Board meeting.

Responsibilities of the Management Committee

The Management Committee are responsible for preparing the directors' report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Management Committee 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 management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and ensure that the financial statements comply with the Companies Act 2006, the Charities & Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LGBT HEALTHY LIVING CENTRE
DIRECTORS ANNUAL REPORT (continued)
YEAR ENDED 31 MARCH 2011

Organisational Structure and Risk Management

The Committee are responsible for the strategic direction and policy of the charity. Board members come from a variety of professional backgrounds relevant to the work of the charity. Following a number of resignations and new additions, the Board of Directors has seven members, including an NHS Lothian representative with an advisory role only. The Executive Director is also the Company Secretary and sits on the Committee but has no voting rights. Members of the Management Committee, 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 2.

The Management Committee of the LGBT Healthy Living Centre (HLC) held nine meetings over the year, as well as a Board Development Day to examine service delivery and strategic development priorities.

A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the executive Director. The Director is responsible for the day-to-day operational management of the organisation, individual supervision of a large proportion of the staff team and for ensuring that the charity delivers the services specified and that key performance indicators are met.

The Director and Mental Health Project Manager have responsibility for ensuring that the staff team members continue to develop their skills and working practices are in line with good practice. Staff and volunteers are provided with regular supervision and opportunities to identify training and continuing professional development needs.

Policies and procedures are in place to ensure compliance with health and safety of staff, volunteers, clients, service users and visitors to the Centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity. Internal control risks are minimised by the implementation of procedures for authorisation of all financial transactions.

The future

We face a complex and difficult economic climate and tremendous funding pressures on the public sector, and we need to remain a strong voice and ensure that the health inequalities faced by lesbian, gay, bisexual and transgender people continue to be addressed.

As the Scottish Government has recognised, the LGBT community infrastructure continues to be relatively weak and less developed than that of other equality strands; very few specialist services exist to meet the needs of this minority. There is an historic and ongoing under-funding of LGBT organisations, with the sexual health of gay and bisexual men frequently seen as the only priority for funding, ignoring the needs of transgender people and lesbian and bisexual women, and key issues such as mental health.

Within this backdrop, the organisation has over the last couple of years been very successful in attracting funding and diversifying its funding streams. Particularly noteworthy is the extremely significant progress made in relation to statutory funders, as 2012 sees the City of Edinburgh Council for the first time providing longer-term funding to the organisation and a range of other substantial statutory contracts also in place for the coming year with NHS Lothian, the Scottish Government and the EHRC.

LGBT HEALTHY LIVING CENTRE
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Much less encouraging has been the small amount of income we have been able to generate from trusts and foundations. Whilst in 2010 funding was secured for a 3-year LGBT Age Project from three trusts, subsequent grants have been much less significant and have tended to cover the cost of delivering activities, rather than staff and core costs. This is likely to reflect a number of things, including the fact we were able to allocate somewhat less staff resources (hence less applications were submitted). Equally the low success rate reveals the fact that we continue to face an uphill struggle, especially with trusts and foundations, to get funders to recognise LGBT needs and the impact of discrimination and stigmatised identities on health and wellbeing. Also, as we know, the competition for funding from trusts and foundations is getting tougher, as due to the financial climate they often simply have both less money to allocate and are receiving an ever increasing number of applications.

Coupled with the increased challenge of generating income from trusts and foundations is the impact the recession is having on our room hire business. Valuable unrestricted income from this source, which has been used to plug shortfalls in funding, has dropped dramatically as organisations have less money available for external room hire.

This means that the organisation faces a tough challenge to sustain and consolidate, much less continue on the growth trajectory it has embarked on over the last couple of years. We however remain committed to continuing to identify gaps in service provision and proactively addressing those by seeking funding to expand the range of our responsive, high quality, programmes. We will seek opportunities to expand our work into new parts of Scotland where LGBT people do not currently have access to specialist services. All our work will retain its strong community focus by being informed by extensive and meaningful involvement and consultation with LGBT people.

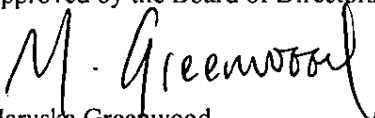
Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Small company provisions

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 Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Directors on 31 August 2011 and signed on its behalf by:


Maruska Greenwood
Executive Director and Company Secretary

LGBT HEALTHY LIVING CENTRE

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS

YEAR ENDED 31 MARCH 2011

We have audited the financial statements of LGBT Healthy Living Centre the year ended 31 March 2011, which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the directors 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 company's members and directors, 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 company, the company's members as a body, and the directors for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 9 & 10, the directors' (who are the trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- the financial statements 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).

LGBT HEALTHY LIVING CENTRE

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS

YEAR ENDED 31 MARCH 2011

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- the charitable company has not kept proper and adequate accounting records, 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.



David Main
Senior Statutory Auditor
for and on behalf of Whitelaw Wells, Statutory Auditors
Whitelaw Wells is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
9 Ainslie Place
Edinburgh
EH3 6AT

Date 31 August 2011

LGBT HEALTHY LIVING CENTRE

**INCOME AND EXPENDITURE ACCOUNT INCORPORATING STATEMENT OF
FINANCIAL ACTIVITIES**

YEAR ENDED 31 MARCH 2011

	Note	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010* £
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations	2	24,706	-	24,706	3,197
<i>Investment income</i>		425	-	425	162
Incoming resources from charitable activities:	3				
Courses and events		2,401	-	2,401	4,466
Rent and room hire		29,616	-	29,616	56,372
Grants		46,500	178,181	224,681	212,032
		<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources		103,648	178,181	281,829	276,229
		<hr/>	<hr/>	<hr/>	<hr/>
Resources expended					
Charitable activities		57,805	219,970	277,775	192,789
Governance costs		2,988	-	2,988	2,593
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	4	60,793	219,970	280,763	195,382
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds before transfers		42,855	(41,789)	1,066	80,847
Transfers between funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds after transfers		42,855	(41,789)	1,066	80,847
Reconciliation of funds					
Total funds brought forward		120,074	68,278	188,352	107,505
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward	17	162,929	26,489	189,418	188,352
		<hr/>	<hr/>	<hr/>	<hr/>

* The prior year comparative shows the thirteen month period to 31 March 2010.

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 17 to 26 form part of these financial statements.

LGBT HEALTHY LIVING CENTRE

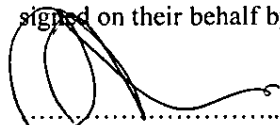
BALANCE SHEET

AS AT 31 MARCH 2011

	Note	£	2011 £	2010 £
FIXED ASSETS				
Tangible assets	8		3,544	978
CURRENT ASSETS				
Cash at bank		179,503		192,757
Debtors and prepayments	9	16,630		36,160
			<hr/>	<hr/>
		196,133		228,917
CREDITORS: Amounts falling due within one year	10	(10,259)		(41,543)
			<hr/>	<hr/>
NET CURRENT ASSETS			185,874	187,374
			<hr/>	<hr/>
NET ASSETS			189,418	188,352
			<hr/>	<hr/>
FUNDS				
Restricted:				
Capital & computer equipment	17		489	978
Other	17		26,000	67,300
Unrestricted:				
General funds	17		162,929	120,074
			<hr/>	<hr/>
			189,418	188,352
			<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the members of the board on 31 August 2011 and are signed on their behalf by:


.....

Peter Roberts, Director

Company Number SC246290

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

1. Accounting policies

a. Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of investment assets and are in accordance with applicable accounting standards, the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in March 2005 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

b. Fund accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure, which meets these criteria, is charged to the fund, together with a fair allocation of management and support costs.

c. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants and donations and is included in full in the statement of financial activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.

d. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

d. Resources expended (continued)

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- 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 as set out in Note 4.

e. Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates are as follows:

Office furniture – 25% straight line
Fixtures and fittings – 25% straight line
Computer equipment – 33.33% straight line

Items of equipment are capitalised where the collective purchase price exceeds £150. They are initially recorded at cost.

f. Pensions

The Company makes payments into a defined contribution pension scheme providing benefits for certain Employees in addition to those from the State. The pensions cost charge represents contributions payable by the company to the scheme in respect of the year.

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

2. Grants and Donations – Voluntary Income

	Unrestricted £	Restricted £	2011 £	2010 £
Donations – small	1,332	-	1,332	3,197
Lothian Gay & Lesbian Switchboard (Core)	23,374	-	23,374	-
	<u>24,706</u>	<u>-</u>	<u>24,706</u>	<u>3,197</u>

3. Incoming Resources from Activities to further the Charity's Objects

	Unrestricted £	Restricted £	2011 £	2010 £
<i>Grants</i>				
Scottish Government (Healthy Living Centre)	-	-	-	70,000
NHS Lothian HIF (Core)	42,500	-	42,500	42,500
City of Edinburgh Council (Core)	-	32,680	32,680	-
AstraZeneca (Core)	4,000	-	4,000	-
Lloyds TSB HD Award (Core)	-	6,000	6,000	-
NHS Lothian (Mental Health Project)	-	-	-	30,000
Scottish Government (Mental Health Project)	-	50,000	50,000	-
See Me (Mental Health Project)	-	5,000	5,000	-
Henry Smith Charity (Age Project)	-	-	-	16,300
The Rayne Foundation (Age Project)	-	10,000	10,000	10,000
Esmee Fairbairn Foundation (Age Project)	-	-	-	28,000
Allen Lane Foundation (Transgender Support)	-	2,000	2,000	2,000
One City Trust (Transgender Support)	-	5,000	5,000	5,000
EHRC (Equalities Project))	-	26,226	26,226	9,190
CC Neighbourhood Partnership (Arts & Physical Activity)	-	-	-	3,200
Peoples Postcode Lottery (Arts & Physical Activity)	-	-	-	10,000
NHS Lothian CHDG (Arts & Physical Activity)	-	-	-	3,000
Awards for All (Arts & Physical Activity)	-	-	-	10,000
NHS Lothian (LGBT Helpline)	-	11,275	11,275	2,842
<i>Other</i>				
Rent and room hire	29,616	-	29,616	56,372
Smoking cessation	-	-	-	880
Various other	2,401	-	2,401	3,586
	<u>78,517</u>	<u>148,181</u>	<u>226,698</u>	<u>302,870</u>
<i>Deferred income</i>				
NHS Lothian	-	30,000	30,000	(30,000)
	<u>78,517</u>	<u>178,181</u>	<u>256,698</u>	<u>272,870</u>

LGBT HEALTHY LIVING CENTRE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

4. Total Resources Expended

	Health Promotion £	Community Development £	Governance £	2011 Total £	2010 Total £
Costs directly allocated to activities					
Staff costs (Note 6)	79,472	97,132	-	176,604	86,601
Volunteers expenses	417	510	-	927	498
Board expenses	-	-	288	288	237
Audit fees	-	-	2,700	2,700	2,356
Project expenditure	8,787	10,739	-	19,526	14,462
Catering	463	566	-	1,029	3,327
Support costs allocated to activities					
Administrative staff (Note 6)	8,276	10,115	-	18,391	21,571
Recruitment and training	428	523	-	951	1,915
Depreciation	897	1,096	-	1,993	658
Rent, rates and insurance	18,565	22,690	-	41,255	44,646
Office costs	7,448	9,103	-	16,551	18,860
Legal and professional fees	247	301	-	548	251
Total resources expended	125,000	152,775	2,988	280,763	195,382

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

5. Net incoming resources for the year

	2011	2010
	£	£
This is stated after charging:		
Auditors remuneration – audit fees	2,700	2,356
Depreciation	1,933	658
Directors' remuneration	nil	nil
	<u> </u>	<u> </u>

6. Staff costs and numbers

	2011	2010
	£	£
Salaries	174,929	97,652
Social security costs	17,027	8,340
Pension	3,039	2,180
	<u> </u>	<u> </u>
	194,995	108,172
	<u> </u>	<u> </u>

No employee received emoluments of more than £60,000.

No directors were paid any fees nor reimbursed any expenses during either the current or previous years.

The average monthly number of employees during the year, calculated on a full time equivalent was as follows:

	2011	2010
	No.	No.
Charitable and support staff	6.5	2.5
Administrative staff	1.0	1.0
	<u> </u>	<u> </u>
	7.5	3.5
	<u> </u>	<u> </u>

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

7. Taxation

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

8. Fixed Assets

	Office furniture £	Computer equipment £	Fixtures & fittings £	Total £
<u>Cost</u>				
At 1 March 2010	5,477	10,611	1,305	17,393
Additions	182	4,377	-	4,559
Disposals	(99)	(459)	-	(558)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	5,560	14,529	1,305	21,394
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>				
At 1 March 2010	5,477	9,633	1,305	16,415
Charge for period	46	1,947	-	1,993
Disposals	(99)	(459)	-	(558)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	5,424	11,121	1,305	17,850
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net book value</u>				
At 31 March 2011	136	3,408	-	3,544
	<hr/>	<hr/>	<hr/>	<hr/>
At 29 February 2010	-	978	-	978
	<hr/>	<hr/>	<hr/>	<hr/>

All of the fixed assets included in the net book value of £3,544 are used for direct charitable purposes.

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

9. Debtors

	2011 £	2010 £
Prepayments & other debtors	16,630	36,160
	<u>16,630</u>	<u>36,160</u>

10. Creditors: Amounts falling due within one year

	2011 £	2010 £
Accruals & other creditors	10,259	11,543
Deferred income (note 12)	-	30,000
	<u>10,259</u>	<u>41,543</u>

11. Pension

The company operated a defined contribution scheme during the year. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,039 (£2,180 – 2010). At the year end contributions totalling £nil (£nil – 2010) were outstanding.

12. Deferred income

	2011 £	2010 £
Balance at 31 March 2010	30,000	-
Add: amounts received during the year	-	30,000
Less: Released to statement of financial activities	(30,000)	-
	<u>-</u>	<u>30,000</u>
Balance at 31 March 2011	<u>-</u>	<u>30,000</u>

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

13. Commitments Under Operating Leases

At 31 March 2011 the company had aggregate annual commitments under non-cancellable operating lease as set out below:

	2011 £	2010 £
Operating leases which expire:		
Less than one year	-	-
More than five years	35,684	35,684
	<u>35,684</u>	<u>35,684</u>

14. Related Party Transactions

The charity is managed by a board of directors. No sole individual has control of the charity.

No transactions with related parties were undertaken such as required to be disclosed under Financial Reporting Standard for Smaller Entities.

15. Company Limited by Guarantee

The members have each agreed to contribute £1 in the event of the company being wound up.

16. Analysis of net assets between funds

	General funds £	Restricted funds £	Total funds £
Tangible fixed assets	3,055	489	3,544
Current assets	170,133	26,000	196,133
Current liabilities	(10,259)	-	(10,259)
	<u>162,929</u>	<u>26,489</u>	<u>189,418</u>
Net assets at 31 March 2011	162,929	26,489	189,418

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

17. Movements in funds

	At 1 March 2011 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2011 £
Restricted funds:					
Computer & capital equipment	978	-	(489)	-	489
Core	-	38,680	(32,680)	-	6,000
LGBT Mental Health Project	-	85,000	(80,000)	-	5,000
LGBT Age Project	54,300	10,000	(54,300)	-	10,000
Transgender Support	-	7,000	(2,000)	-	5,000
LGBT Equalities Project	-	26,226	(26,226)	-	-
LGBT Arts & Physical Activity	13,000	-	(13,000)	-	-
LGBT Helpline	-	11,275	(11,275)	-	-
Total restricted funds	68,278	178,181	(219,970)	-	26,489
Unrestricted funds :					
Core funds	120,074	103,648	(60,793)	-	162,929
Total funds	188,352	281,829	(280,763)	-	189,418

Purpose of restricted funds

The computer and capital equipment restricted fund represents the net book value of assets purchased from restricted grants.

Core restricted funding from City of Edinburgh Council and Lloyds TSB is to deliver the LGBT Social Capital Programme of core activities, events, volunteering, capacity building and participation work.

LGBT Mental Health Project funding is for a national demonstration project providing Lothian-based culturally sensitive mental health and support services.

LGBT Age Project funding represents grants towards a programme of befriending, social opportunities and information for LGBT people over 50.

Transgender Support Programme funding is to provide social opportunities, community groups and support to transgender people.

LGBT Equalities Project funding from the Equality and Human Rights Commission is to support LGBT victims of hate crimes and LGBT people experiencing multiple discrimination, as well as to provide information, support and advocacy service for LGBT people.

LGBT Arts & Physical Activity Programme funding is to provide a year-round programme of arts and physical activity events and groups, as well as a yearly LGBT Arts Festival.

LGBT HEALTHY LIVING CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

17. Movements in funds (cont.)

Lothian LGBT Helpline funding is for delivery of a telephone service offering support and information on a range of issues including sexuality, relationships, sexual health and 'coming out'.