

Registered Company No: SC440964 (Scotland)

Charity No: SC043735

LIFE CHANGES (TRUSTEE) LIMITED
(A company limited by guarantee)
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Contents	Page
Report of the trustees	2 – 13
Independent auditor's report	14 - 16
Consolidated statement of financial activities	17
Charity statement of financial activities	18
Consolidated and charity balance sheet	19
Consolidated cash flow statement	20
Notes to the financial statements	21 - 34

The following pages to not form part of the statutory accounts:

Protector's statement and Trustees' Response	36 - 41
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LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the accounts and comply with the charity's Trust Deed, the Charities and Trustee Investment (Scotland) Act 2005; The Charities Accounts (Scotland) Regulations 2006; the Companies Act 2006 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 United Kingdom and Republic of Ireland (FRS 102) as amended for accounting periods commencing from 1 January 2016.

Directors and trustees

The directors of the charitable company (the charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The Trustees who served during the year and since the year end were as follows:

Gillian Brown
Harriet Dempster
Nigel Fairhead
Isobel Grigor
Shona Hill
Alexis Jay
Claire Lightowler
Shona Munro
Alison Petch
Collette Gallagher (resigned 30 April 2018)

Structure and Related Parties

The National Lottery Community Fund, legally named The Big Lottery Fund, (The Lottery) required two organisations to be established as vehicles for managing and investing its £50 million endowment: Life Changes Trust and Life Changes (Trustee) Limited.

The Life Changes Trust is a registered Scottish charity, and operates under a Trust Deed granted by the Lottery, which includes support from a Trust Protector, who is appointed by and reports to the Lottery. The Trust Deed by the Lottery is dated 5 and 19 February 2013, constituting Life Changes Trust and appointing as Trustee, Life Changes (Trustee) Limited (incorporated under the Companies Acts with registered number 440964, a Scottish Charity, with Scottish Charity Number SC043735 and with a registered office at Edward House, 199 Sauchiehall Street, Glasgow, G2 3EX). Life Changes (Trustee) Limited is the sole Trustee of Life Changes Trust.

The Trust Deed sets out the purposes of the Trust with respect to our endowment and provides the Trust with powers to support people affected by dementia and care experienced young people.

Life Changes (Trustee) Limited is a registered Scottish charity and limited company. The directors of Life Changes (Trustee) Limited are in general control and management of that charitable company and the Trust, and are therefore, for the purposes of charity law, the charity Trustees of both organisations.

Work to set up Life Changes Trust commenced fully from June 2013 when the CEO started in post and was able to support Trustees in establishing effective Trust governance and manage development of the Trust's operation on behalf of the Trustees.

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

The Life Changes Trust is the main operating vehicle for delivering the work reported here. However, Life Changes (Trustee) Limited is the collective Trustee for the Trust and therefore an essential part of the constitutional structure of the Life Changes project.

Accounts relating to Life Changes Trust are consolidated with these financial statements.

Governance

Life Changes Trust and Life Changes (Trustee) Limited are governed in line with agreed governance arrangements and procedures, which meet legal and good practice requirements and are presented in our Governance Pack (available on request).

The Trust's governance arrangements includes:

- at least quarterly Board meetings (these are joint Trust/Trustee Limited meetings)
- at least quarterly meetings of our two Programme Committees – People Affected by Dementia and Care Experienced Young People
- at least quarterly meetings of our Finance Committee, which includes investment review and management

Approved funding decisions made by the Trust's Board and Programme Committees are published on the Trust's website.

Trustees' decisions regarding Trust governance, strategy and funding are made collectively through the Board and its sub-committees, which operate within agreed terms of reference. All decisions are recorded in approved minutes to support transparency and accountability. Trustees receive regular progress reports. They also meet annually to review overall progress and governance arrangements.

The Board met quarterly between April 2018 and March 2019 supported by sub-committees.

The following sub-committees met quarterly between April 2018 and March 2019: Finance Committee; Dementia Programme Committee; Care Experienced Young People Programme Committee.

Committee and Board papers are distributed to Trustees and the Trust's Protector 14 days in advance of meetings.

Trustees are supported in their governance role by a Trust Protector. The Trust Protector is an independent person with relevant skills who is appointed by the Lottery to provide oversight of the Trust to help ensure it is fulfilling its purpose and is effectively governed.

The Protector does not make decisions but provides comment and guidance. The Protector receives all governance information and is able to attend any governance meeting. The Protector provides reports to the Lottery and publishes an annual statement in this report. The Protector is a remunerated position and the costs of paying the Protector are included in the Trust's governance costs (see note 9).

Recruitment and Appointment of Trustees

Trustees are voluntary positions. New Trustees are appointed by existing Trustees through an open recruitment process.

- Vacancies are advertised on the Trust's website and through appropriate external media.
 - Applicants apply through a CV and covering letter.
 - All applications are received by the Trust's CEO and assessed for compliance with essential requirements.
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LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

- All applications which meet essential requirements are passed to the Trustees who have agreed to be on the recruitment panel.
- The recruitment panel assess applications and agree a shortlist of candidates for interview.
- Following interview, the recruitment panel make recommendations to the Board concerning appointment.

Trustee Induction and Training

An induction plan is agreed with new Trustees to provide them with appropriate induction to the Trust. This includes dates by when they will have read key information provided in the Trustee Induction and Governance packs, and meetings with key Trust personnel.

The Trust supports Trustees to undertake appropriate training which will help them fulfil their governance role. This includes payment of course fees and travel costs. The Trust also organises in-house discussions and reviews to support Trustee development, including annual away days and governance review.

Trustees and Protector Expenses

Trustees and the Protector are reimbursed for travel, training and development and other appropriate expenses incurred in fulfilling their work for the Trust. Trustees' and Protector's expenses are included in the Trust's governance costs.

Executive Management

The Trust's executive management is led by the CEO supported by the two Programme Directors and Business Manager. Executive management is supported by monthly senior management team meetings, involving the CEO, Programme Directors and other staff as required.

Employees and People Management

The Trust is committed to being an excellent and equal opportunities employer to attract and retain effective and committed staff. Between April 2018 and March 2019, the following permanent staff were in post:

Corporate:

- CEO
- Governance and HR Manager
- Business Manager
- Senior Finance Officer
- Finance and Business Administrator

Communications:

- Communications and PR Manager
- Communications Officer

Care Experienced Young People Programme:

- Director, Care Experienced Young People Programme
- Programme and Funding Manager, Care Experienced Young People Programme
- 2 x Senior Programme and Funding Officer, Care Experienced Young People Programme
- Senior Insight and Evaluation Officer, Care Experienced Young People Programme

Dementia Programme:

- Director, Dementia Programme
 - Funding and Carers Manager, Dementia Programme
 - Funding and Research Manager, Dementia Programme
 - Evidence and Influencing Co-ordinator, Dementia Programme
 - Insight, Evidence and Funding Officer, Dementia Programme
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LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

The Trust operates a structured employee management, development, review and annual appraisal system for all employees, with different arrangements for the CEO.

Key Personnel

The Trust has identified the following as key management personnel:

- Maddy Halliday (CEO) (resigned 13th July 2018)
- Anna Buchanan (Director of Dementia Programme April – December 2018; CEO July 2018 onwards)
- Heather Coady (Director of Care Experienced Young People Programme)
- Trustees/Directors of Life Changes (Trustee) Limited

Employee Remuneration

The Board approved a restructure of the Trust's staff in January 2019 and all new posts were benchmarked at this point to ensure salaries were competitive with similar roles in the third sector.

The CEO's annual objectives are agreed by the Board and her performance is reviewed at least annually, informed by regular meetings with two nominated Trustees.

Financial Management

A range of policies and procedures are in place to enable our Trustees to ensure sound financial management of the Trust to maximise efficiency and effectiveness and to minimise any risk of inappropriate financial conduct or fraud. Trustees consider quarterly financial reports as well as an annual report from our auditor. The Trustees approved the Trust's 2018/2019 annual budget in April 2018.

Funding Management

The Trustees are committed to ensuring our funding management arrangements are efficient and effective. The Trust has established sound funding management arrangements which are reviewed and improved on an ongoing basis.

Risk Management

Trustees are committed to effective risk management. They regularly review corporate and funding risks at Sub-Committee and Board level and take appropriate action to mitigate risks. During the reporting year, risks at corporate level were supported by a corporate risk management and reporting process. Risks at funding management level were supported by a funding risk management and reporting process.

The Trust supported corporate risk management as follows.

- The Trust's Senior Management Team (SMT) reviewed all corporate risks (high, medium and low) quarterly, ensuring that risk mitigation is in place and functioning*.

(*SMT = CEO, Programme Directors; other staff including the Business Manager and Communications Manager)

- SMT also identified three to six major risks every quarter, for more focused review.
- Finance Committee reviewed all risks every quarter, with a focus on major risks.
- The Board reviewed major risks every quarter and all risks annually.
- The CEO also reported any new high risk to the Board when it was identified. Any Trustee may also report any new high risk to the Board and CEO.

The Trust supported funding risk management as follows. (Please see the Trust's updated Funding Management Guidance (June 2018) for more information.)

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

- Initial risk assessments were included in funding proposals prepared by programme staff for consideration by Programme Committees.
- Funding application assessments include risk assessment.
- Each organisational funding award approved in principle by Trustees undergoes a thorough due diligence check by programme staff, to minimise the risk of the Trust issuing a funding award to an unsuitable organisation.
- Programme staff reviewed the risks of active funding initiatives and awards as part of our funding monitoring and evaluation processes.
- Programme staff provided updates on funding risks to Programme Committees as appropriate.

Purposes (objects) of the Trust (as per Trust Deed)

The Trust Deed states: The Trustee shall hold and apply the Trust Fund to pay and apply the same to or for the benefit of or in furtherance of:

- The relief of those in need by reason of age, ill-health, disability or financial hardship, the advancement of citizenship and community development and the advancement of education and health by a person-centred, holistic approach to the care and support of young people leaving care and older people with dementia, with the aim of improving the lives of the beneficiaries and their carers through grants, awards or other support to formally constituted organisations and individuals; and
- The promotion of such similar charitable purposes, objects or institutions and in such proportions and manner as the Trustee shall think fit.

And on the basis that the Trustee may apply the Trust Fund in furtherance of the Purposes in such proportions and manner as the Trustee shall think fit, and (without limiting the generality of that principle) on the understanding that support may be provided through the Trustee giving financial assistance (whether through grants or loans) and/or providing (either itself or through consultants or others engaged by the Trustee) consultancy or other forms of in-kind support.

Mission and Strategy

The mission of the Trust is to drive transformational improvements in the quality of life, well-being, empowerment and inclusion of people affected by dementia and young people with care experience.

In our Business Strategy, we make a commitment to invest our resources, including Funding Awards, in ways which will enable transformational and sustainable improvements in the quality of life, well-being, inclusion and empowerment of our beneficiaries.

The following strategic objectives provide the foundation and framework for all the Trust's activities.

Objective: ***Develop, share and promote insight and learning to guide improved policy and practice which will transform our beneficiaries' lives.***

The Trust:

- Works with beneficiaries and stakeholders and funds others to strengthen and share insight, learning from direct experience and research.
 - Ensures that Trust funding decisions and activities are informed by understanding of context, needs, evidence and innovation ideas.
 - Facilitates better knowledge sharing among beneficiaries, practitioners, policy makers, and researchers.
 - Ensures appropriate and robust evaluation of Trust funded initiatives and review of other activities through performance management processes and data.
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LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

Objective: ***Fund initiatives which empower individual beneficiaries and strengthen their personal capacity, resources and resilience***

This involves funding in a number of key areas, for example:

- small grants to individual beneficiaries so they can choose to do something that will make a positive difference to their life
- development of beneficiaries' learning and life skills
- development of beneficiaries' self-management, self-directed support and caring skills
- strengthening supportive relationships for beneficiaries including family, friends, peer and mentoring support, voluntary befrienders and good neighbour schemes
- improving beneficiaries' access to financial advice and money management training
- improving beneficiaries' access to employment
- strengthening beneficiaries' ability to be active citizens

Objective: ***Fund improvement and innovation in key services to transform experience and outcomes for our beneficiaries now and into the future***

For example:

- a focused improvement or innovation within an existing service
- a service-wide improvement initiative
- work force training and development
- a totally new innovative development

Objective: ***Fund initiatives which:***

- strengthen beneficiaries' inclusion, participation and influence within their local communities, within services and wider society
- promote beneficiaries' human rights and equality
- promote public understanding and empathy towards our beneficiaries and challenge stigma and prejudice

For example:

- opportunities for beneficiaries to share their experiences and views
- opportunities for beneficiaries to be involved in guiding policy and practice improvements, community development and engagement initiatives
- public education and awareness initiatives

Objective: ***Work with beneficiaries and stakeholders to influence improvements to policy and practice which will transform beneficiaries' lives.***

For example:

- Trust funding for specific influencing initiatives
- Trust support and/or involvement in influencing activities

Objective: ***Ensure the Trust is effectively governed and managed to deliver its Business Strategy***

- See Governance Structure
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LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

Achievements and Performance 2018-19

Highlights of our funding during 2018-19 are presented below. Further information on progress, impact and learning is available on our website.

Care Experienced Young People Programme

- **Champions Boards:** the Trust continued to fund Champions Boards in 21 of Scotland's local authorities. Champions Boards are forums which create a unique space for young people with care experience to meet with key decision-makers, service leads and elected members to influence the design and delivery of services which directly affect them. Champions Boards are also a mechanism for young people to hold their Corporate Parents to account, ensuring that services are tailored and responsive to their needs and take into account the kinds of vulnerabilities they may have as a result of their experiences before, during and after care.

The Trust also funds a learning network for the Champions Boards.

In 2018-19, the City of Edinburgh Council was awarded £60,400 to develop its Champions Board approach.

- **Peer Mentoring:** the Trust supports six peer mentoring projects as one means of increasing the opportunities for young people with care experience to have positive relationships, because young people tell us this is a big gap area. Peer mentoring is centred upon providing opportunities for stable and supportive relationships for young people with care experience to help them build loving, healthy, interdependent relationships in the future.

In 2018/19, Move On was awarded £220,029 to further develop mentoring for young people with care experience.

- **Reframing perceptions of young people with care experience:** the Trust is working collaboratively with The Frame Works Institute, the Robertson Trust and CELCIS on a project to reframe perceptions and opinions of the care system in Scotland and of young people with care experience themselves. The project will also address how perceptions of young people with care experience are presented in public and political discourse.

The project aims to facilitate improved public understanding of the issues affecting vulnerable children and families, and of the policy solutions available.

In 2018/19, the Trust contributed £53,000 to this work.

- **Who Cares? Scotland:** the Trust continues to support the work of Who Cares? Scotland to give young people with care experience a voice so that improvements to the care system are informed by their real lived experiences and insights. Our funding will also help Who Cares? Scotland achieve their goal of creating a lifetime of equality, respect and love for young people with care experience.
- **Workforce Development:** the Trust has added three additional strands to this ongoing work. These are: further support for the Community of Practice; a second Systems Leadership Programme targeting Champions Board representatives and; support to the Scottish Care Leavers Covenant Alliance Group to develop its implementation approach.

In 2018/19, awards were made to Falkirk Council Family Firm (£194,730), Staf Youth Justice Participation Project, with CYCJ (£212,644), Staf Project Return (£204,992), Aberlour (£200,449), Designed by Society (£237,032) and Barnardo's Staf North Lanarkshire (£172,575).

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

Dementia Programme

- **Rights Made Real in Care Homes** - the Trust has invested £135,000 to ensure that the rights of people living with dementia in care homes are recognised and respected.

In 2018, the Scottish Government published Scotland's new Health and Social Care Standards. These Standards take a rights-based approach and this project will help seven care homes demonstrate what this can look like in practice. This is a project in partnership with Scottish Care and supported by the University of the West of Scotland.

- **National Dementia Inclusive Choir Network** – this work is jointly funded by the Baring Foundation. This project aims to increase the number and accessibility of choral singing opportunities for people living with dementia in Scotland. It will increase understanding of the positive impact of singing in choirs for people living with dementia, and resource choirs with small grants and materials to help them become dementia inclusive.

In 2018/19, a total of £250,000 was awarded to Luminate to deliver the choir network and the University of the West of Scotland to evaluate it.

- **Local collaborative learning events and small grants programme**

In 2018, the Trust began a three-year series of local collaborative learning events. These focus on a community, rights-based approach to dementia and are planned with local partners. The first was held in Inverness in November 2018 and the second in Aberdeen in March 2019. The three-day events were very well attended and, to date, more than 2,500 people have watched the livestreams via Facebook. There will be 14 of these collaborative events in total, culminating in a national event in late 2021.

After each event, the Trust is launching a small grants funding programme to fund local dementia projects and facilitate further collaboration.

In 2018/19, £2,225,000 was allocated to fund this work.

- **'About Dementia' policy and practice forum for Scotland** – this forum will draw people with dementia, unpaid carers, professionals and others together to explore and scrutinise policy and practice relevant to dementia in Scotland. Areas for consideration will include housing, transport, sport, the arts, human rights, and prevention. 'About Dementia' will provide a variety of ways for people to engage with its work – in small groups, one-to-one, via the internet or by phone. The Forum will run for five years initially.

In 2018/19, the Trust awarded £1,509,564 to Age Scotland to host and lead this work.

- **Dementia Friendly Communities Development Funding** – the Trust continues to invest in developing dementia friendly communities across Scotland and a large-scale independent evaluation of this work began in June 2019 by HammondCare.

In 2018/19, the Trust awarded development funding to 5 organisations: Glasgow Life (£31,000); V&A Dundee (£35,000); Dunblane Development Trust (£20,906); Golf in Society (£34,924); and An Talla Solais (£26,154).

To read more about these projects and other work the Trust has funded, visit www.lifechangestrust.org.uk.

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

Communications and PR

The Trust delivered its agreed communications and PR strategy and work plan for 2018/2019, achieving positive progress with regard to digital engagement, profile and events. More information is available on our website.

Principal Funding Sources

The principal funding source for the Life Changes Trust is the Big Lottery Fund. The Trust also earns interest and dividends on funds invested.

Investment Policy and Performance

The Trustees are fully committed to managing the Trust's available capital to maximise the income we raise through interest and dividend payments. In March 2015, Trustees agreed our Investment Policy, which is published on our website, and confirmed appointment of Investec as the Trust's provider of investment services. Our investment policy is reviewed at least annually, most recently in December 2018.

Investec are instructed to invest the Trust's capital to maximise dividend returns, in line with the Trust's investment policy, which includes medium/low-risk investment (reducing to lower risk over the life span of the investment) and with reference to responsible and specified ethical investment restrictions. Dividend returns, as set out on page 26, are used to cover the majority of operational costs for the Trust.

Market conditions and global economic uncertainty continue to make investment returns challenging. Trustees are briefed quarterly on the portfolio performance.

Financial review

The group's incoming resources for the year amounted to £1,215,728. These have been dealt with as shown in the Statement of Financial Activities.

The total funds of the Trust amount to £30,995,276. Of this, £22,213,491 represents the general fund (reserves); and £9,193 a designated intangible asset fund, reflecting the amount tied up in intangible fixed assets; and £33,408 a designated fixed asset fund, reflecting the amount tied up in tangible fixed assets; and £8,629,809 of designated future grants funds, reflecting the amount allocated to future grants agreed in principle.

Reserves Policy

The Trust actively manages its capital under investment to enable us to meet our committed and projected funding awards in full. In the event of some major, unexpected development requiring early closure of the Trust, such as a significant reduction in the value of our capital under investment, the Trust would use its remaining capital to meet its funding award commitments to the greatest extent possible.

Before making a decision to close the Trust before 2023, Trustees would consult with the Big Lottery Fund in Scotland. If the Board decided to close the Trust before 2023, it would agree a closure time table, which would be at least 6 months.

In any given financial year, the Trust retains an operational cash reserve that allows reasonable provision for unexpected expenditure, a shortfall in investment income and to manage early closure should the Board decide this is necessary.

The Trust's Finance Committee recommends to the Board a suitable operational cash reserve, based on projected costs required during any 6-month period in the financial year, as part of the Trust's annual budget approval process. This approved cash reserve is held in a suitable instant access deposit account (or accounts) with a provider with an acceptable credit rating and which provides a competitive rate of interest. In 2018/19 the recommended cash reserve was £2.5M which was held in full.

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

The Trust's Board believes that this reserves arrangement for our funding commitments is sound, given that:

- the Trust has effective investment and financial arrangements in place;
- the risk of a sudden and significant reduction in the value of the Trust's capital under investment is low;
- most of the Trust's capital under investment is liquid and can be drawn-down early if required; and
- holding the Trust's capital in bank deposit accounts brings other risks, including lower income, which would require the Trust to use more of its capital to meet its operating costs, reducing the level of funding awards the Trust is able to provide.

Plans for the Future

The Trust's future plans are outlined in our Updated Business Strategy 2019-2023, which will be published on our website in Autumn 2019.

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

Reference and administrative information

Trustees	Gillian Brown Harriet Dempster Nigel Fairhead Isobel Grigor Shona Hill Alexis Jay Claire Lightowler Shona Munro Alison Petch Collette Gallagher (resigned 30 April 2018)
Company Number	SC440964
Charity Number	SC043735
Principal Address	Edward House 2 nd Floor 199 Sauchiehall Street GLASGOW G2 3EX
Protector	Douglas Graham
Senior Management Team	Maddy Halliday (CEO, resigned 13 July 2018) Anna Buchanan (Director, Dementia Programme; CEO from July 2018) Heather Coady (Director, Care Experienced Young People Programme)
Auditor	Martin Aitken & Co Limited Chartered Accountants Caledonia House 89 Seaward Street GLASGOW G41 1HJ
Bankers	Barclays Bank plc 120 Bothwell Street GLASGOW G2 8JS
Solicitors	MacRoberts LLP Capella, 60 York Street GLASGOW G2 8JX
Investment Advisors	Investec Wealth & Investments 30 Gresham Street LONDON EC2V 7QN

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2019 (*continued*)

Trustees' Responsibilities in Relation to the Financial Statements

The Trustees (who are also the directors of Life Changes (Trustee) Limited for the purposes of company law) are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Acceptance Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 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 charitable company and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of disclosure to the auditor

In so far as the Trustees are aware:

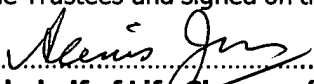
- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies' exemption.

Auditor

Martin Aitken & Co Ltd have been appointed as auditor to the company until 2020 and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Approved by the Trustees and signed on their behalf by:

.....
Alexis Jay on behalf of Life Changes (Trustee) Limited
Board Chair

Dated: 20/09/19.....

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the financial statements of Life Changes (Trustee) Limited (the 'charitable company') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Company Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2019 and of the group's and the parent charitable company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees (who are also the directors of the company for the purposes of company law) use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF
LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)
FOR THE YEAR ENDED 31 MARCH 2019

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report, prepared for the purposes of company law and included within the Report of the Trustees, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, included within the Report of the Trustees, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

FOR THE YEAR ENDED 31 MARCH 2019

Our responsibilities for the audit of the financial statements

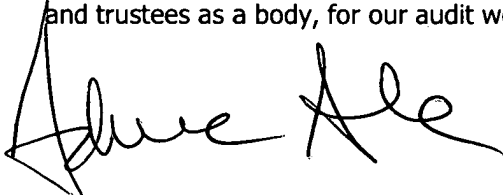
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Adrienne Airlie (Senior Statutory Auditor)
for and on behalf of Martin Aitken & Co Ltd
Statutory Auditor
Chartered Accountants
Caledonia House
89 Seaward Street
Glasgow
G41 1HJ

Date:

20/9/19

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including an Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2019

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Income from:							
Donations and legacies	4	334	-	334	533	-	533
Charitable activities	5	-	148,300	148,300	-	75,000	75,000
Investments	6	1,067,094	-	1,067,094	1,215,783	-	1,215,783
Total income		<u>1,067,428</u>	<u>148,300</u>	<u>1,215,728</u>	<u>1,216,316</u>	<u>75,000</u>	<u>1,291,316</u>
Expenditure on:							
Raising funds	8	98,815	-	98,815	120,232	-	120,232
Charitable activities	10	8,078,538	113,925	8,192,463	7,009,270	-	7,009,270
Total expenditure		<u>8,177,353</u>	<u>113,925</u>	<u>8,291,278</u>	<u>7,129,502</u>	<u>-</u>	<u>7,129,502</u>
Net gains/(losses) on investments		<u>577,651</u>	<u>-</u>	<u>577,651</u>	<u>(348,858)</u>	<u>-</u>	<u>(348,858)</u>
Net income/(expenditure)		<u>(6,532,274)</u>	<u>34,375</u>	<u>(6,497,899)</u>	<u>(6,262,044)</u>	<u>75,000</u>	<u>(6,187,044)</u>
Net movement in funds		<u>(6,532,274)</u>	<u>34,375</u>	<u>(6,497,899)</u>	<u>(6,262,044)</u>	<u>75,000</u>	<u>(6,187,044)</u>
Funds reconciliation							
Total funds brought forward	19	37,418,175	75,000	37,493,175	43,680,219	-	43,680,219
Total funds carried forward	19	<u>30,885,901</u>	<u>109,375</u>	<u>30,995,276</u>	<u>37,418,175</u>	<u>75,000</u>	<u>37,493,175</u>

All income and expenditure derives from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(Including an income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2019


	Note	Unrestricted Funds 2019 £	Total Funds 2019 £	Unrestricted Funds 2018 £	Total Funds 2018 £
Income from:					
Charitable activities	5	-	-	-	-
Investments	6	-	-	-	-
Total income		-	-	-	-
Expenditure on:					
Raising funds	8	-	-	-	-
Charitable activities	9	-	-	-	-
Total expenditure		-	-	-	-
Net expenditure		-	-	-	-
Net movement in funds		-	-	-	-
Funds reconciliation					
Total funds brought forward		-	-	-	-
Total funds carried forward		-	-	-	-

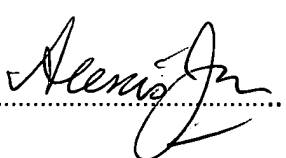
LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2019

	Note	Group 2019	Group 2018	2019	Charity 2018
		£	£	£	£
Fixed assets					
Intangible fixed assets	14	9,193	24,238	-	-
Tangible assets	15	33,408	26,408	-	-
Investments	16	28,038,308	32,628,930	-	-
Total fixed assets		28,080,909	32,679,576	-	-
Current assets					
Debtors	17	362,299	359,416	-	-
Cash in bank and in hand	21	4,204,996	5,801,774	-	-
Total current assets		4,567,295	6,161,190	-	-
Liabilities					
Creditors falling due within					
one year	18	1,652,928	1,347,591	-	-
Net current assets		2,914,367	4,813,599	-	-
Net assets		30,995,276	37,493,175	-	-
The funds of the charity:					
Unrestricted funds	19	30,885,901	37,418,175	-	-
Restricted funds	19	109,375	75,000	-	-
Total charity funds		30,995,276	37,493,175	-	-

Approved by the trustees on 20/09/19 and signed on their behalf by:


Nigel Fairhead


Alexis Jay

Company Registration No. SC440964

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	Group 2019 £	2018 £
Cash flows for operating activities:			
Net cash provided by/(used in) operating activities	20	<u>(7,813,969)</u>	<u>(6,889,903)</u>
Cash flows from investing activities:			
Dividends and interest from investments		1,067,094	1,215,783
Proceeds from the sale of investments		9,865,998	14,981,573
Purchase of intangible fixed assets		-	-
Purchase of property, plant and equipment		(18,176)	(5,479)
Purchase of investments		<u>(4,697,725)</u>	<u>(7,014,354)</u>
Net cash provided by (used in) investing activities		<u>6,217,191</u>	<u>9,177,523</u>
Change in cash and cash equivalents in the year		(1,596,778)	2,287,620
Cash and cash equivalent brought forward		<u>5,801,774</u>	<u>3,514,154</u>
Cash and cash equivalents carried forward	21	4,204,996	<u>5,801,774</u>

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Life Changes (Trustee) Limited is a charitable company limited by guarantee incorporated in Scotland. The registered office and principal address is Edward House, 2nd Floor, 199 Sauchiehall Street, Glasgow, G2 3EX.

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention modified for fair value as appropriate.

The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are presented in Sterling (£) and rounded to the nearest £.

The charitable company constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The charity has availed itself of S396 of the Companies Act 2006 as permitted in paragraph 4(1) of Schedule 1 of SI 2008 no. 409, and adapted the Companies Act formats to reflect the special nature of the charity's activities.

(b) Basis of consolidation

The consolidated Statement of Financial Activities and Balance Sheet include the financial statements of the Charitable Company and its subsidiary undertaking, Life Changes Trust, made up to 31 March 2019. Transactions between the charitable company and the Trust have been eliminated fully on consolidation.

(c) Funds structure

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created funds for specific purposes.

Further details of each fund are disclosed in note 19.

(d) Restricted funds policy

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in 19 to the accounts.

(e) Income recognition

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

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

1 Accounting policies (continued)

(e) Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

(f) Donations

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

(g) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (h) below.

- Raising funds comprise the costs of investment management costs;
- Charitable activities includes expenditure on Dementia and Care Experienced Young People programmes and other activities undertaken to further the purposes of the charity and their associated support costs;
- Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer, this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant is outside of the control of the Trust.

A multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payments(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

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

(h) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

1 Accounting policies (continued)

(h) Allocation of support and governance costs (continued)

Governance costs and support costs relating to charitable activities have been apportioned based on staff time spent. The allocation and governance costs is analysed in note 9.

(i) Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	33% on cost
----------	-------------

(j) Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and carried at historical cost. Depreciation is charged at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Leasehold buildings	20% on cost
Plant and equipment	10% - 33% on cost

Fixed assets are included in the balance sheet at cost less accumulated depreciation and impairment losses.

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. When the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the Statement of Financial Activities.

(k) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(l) Taxation

Both the charitable company and its subsidiary undertaking are charities within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, they are potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Paragraph 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

(m) Debtors

Debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

1 Accounting policies (continued)

(n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(o) 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.

(p) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(q) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- A present obligation following a grant offer where settlement is either not considered probable; or
- The amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

(r) Operating leases

The charity classifies the lease of properties as operating leases; the title to the properties remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

(s) Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

Termination benefits are recognised immediately as an expense when the charitable company or its subsidiary undertaking is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(t) Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

(u) Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on a historical experience and other factors that are considered to be relevant. Actual results may differ from estimated.

The estimated and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors consider that there are no estimates, judgements or assumptions made in the process of applying the entity's accounting policies that have a significant effect on the amounts recognised in the accounts, or a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

3 Related party transactions and trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses were paid to seven Trustees in the year for travel expenses which totalled £2,229 (2018: £1,536 to 7 trustees). There were no Trustee expenses waived in the year.

During the year no Trustee had any personal interest in any contract or transaction entered into by the charity (2018: None).

Life Changes (Trustee) Limited is the sole trustee of Life Changes Trust. Accordingly, Life Changes Trust is regarded as a subsidiary undertaking. Life Changes Trust, which is incorporated in Scotland, provides support to people affected by dementia and care experienced young people in a variety of ways. Full details of the subsidiary's results for the year are given in note 7. All transactions between the charitable company and the Trust have been eliminated on consolidation.

4 Donations and legacies

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Donations and gifts - unrestricted	<u>334</u>	<u>533</u>	<u>-</u>	<u>-</u>

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

5 Income from charitable activities

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Grants - restricted	<u>148,300</u>	<u>75,000</u>	<u>-</u>	<u>-</u>

Grants received by Life Changes Trust, included in the above, are as follows:

The William Grant Foundation	23,300	75,000
The Baring Foundation	125,000	-
	<u>148,300</u>	<u>75,000</u>

6 Investment income

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Investments - unrestricted	<u>1,067,094</u>	<u>1,215,783</u>	<u>-</u>	<u>-</u>

7 Subsidiary operations and investment in subsidiary

The subsidiary, Life Changes Trust (Charity Number: SCO43816), which operates in the United Kingdom, provides support to people affected by dementia and care experienced young people in a variety of ways.

A summary of the operating results is shown below:

	2019	2018
	£	£
Income	1,215,728	1,291,316
Expenditure, resources expended	(8,291,278)	(7,129,502)
Gains/(losses) on investments	577,651	(348,858)
Net income/(expenditure) for the year	<u>(6,497,899)</u>	<u>(6,187,044)</u>

The assets and liabilities of the subsidiary were:

	2019	2018
	£	£
Fixed assets	28,080,909	32,679,576
Current assets	4,567,295	6,161,190
Current liabilities	(1,652,928)	(1,347,591)
Total net assets	<u>30,995,276</u>	<u>37,493,175</u>
Total funds	<u>30,995,276</u>	<u>37,493,175</u>

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

8 Raising funds – investment management costs

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Investment management costs - unrestricted	<u>98,815</u>	<u>120,232</u>	<u>-</u>	<u>-</u>

9 Allocation of governance and support costs – Group

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost Type	Total Allocated	Governance Related	Other Support Costs	Basis of Apportionment
	£	£	£	
Staff costs	832,618	6,369	826,249	Staff time
General support	217,907	-	217,907	Staff time
Amortisation	15,045	-	15,045	Staff time
Depreciation	11,176	-	11,176	Staff time
Total	<u>1,076,746</u>	<u>6,369</u>	<u>1,070,377</u>	

Governance costs	2019	2018
	£	£
Trustee expenses	2,229	1,536
Trustee/Advisor training	40	284
Auditor's remuneration	6,000	8,400
Restructuring costs	10,455	-
Legal fees	5,482	-
Insurance	5,230	5,556
Protectors fees and expenses	15,437	11,949
Costs of meetings	3,214	4,265
Support costs (see above)	6,369	6,707
	<u>54,456</u>	<u>38,697</u>

There were no governance and support costs for the charitable company (2018: £nil).

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

10 Analysis of expenditure on charitable activities – Group

	Dementia	Care Experienced Young People	Insight & Evaluation	2019 Total	2018 Total
	£	£	£	£	£
Grants paid and direct management costs (note 11)	3,550,529	3,517,101	-	7,067,630	5,930,523
Governance costs (note 9)	24,505	24,505	5,446	54,456	38,697
Support costs (note 9)	473,794	473,794	122,789	1,070,377	1,040,050
	<u>4,048,828</u>	<u>4,015,400</u>	<u>128,235</u>	<u>8,192,463</u>	<u>7,009,270</u>

Included in the above expenditure is £113,925 that was restricted (2018: £nil).

There was no expenditure on charitable activities incurred by the charitable company (2018: £nil).

11 Analysis of grants – Group

	Grants to institutions	Grants to individuals	Direct grant making costs	2019 Total	2018 Total
	£	£	£	£	£
Dementia	3,341,035	-	209,494	3,550,529	3,663,527
Care Experienced Young People	3,387,513	56,393	73,195	3,517,101	2,266,996
Total	<u>6,728,548</u>	<u>56,393</u>	<u>282,689</u>	<u>7,067,630</u>	<u>5,930,523</u>

12 Staff and remuneration of key management personnel

Group	2019	2018
	£	£
Salaries and wages	727,241	676,200
Social security costs	67,668	60,973
Employer contributions to defined contribution pension schemes	37,709	30,847
Total	<u>832,618</u>	<u>768,020</u>
	2019	2018
	£	£
Key management personnel remuneration		
Group	152,747	181,252
Company	-	-

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

12 Staff and remuneration of key management personnel

The number of employees whose employee benefits fell within the following bands are as follows:

	2019 No	2018 No
£60,000 - £70,000	2	0
£70,000 - £80,000	0	1
Average weekly number of persons, by headcount, employed by the group during the year	25	23

Company

There were no staff costs incurred by the charitable company (2018: £nil).

13 Net income/(expenditure) for the year

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
This is stated after charging:				
Amortisation	15,045	15,046	-	-
Depreciation	11,176	14,006	-	-
(Gain)/loss on disposal of investments	(276,820)	(242,390)	-	-
Loss on disposal of fixed assets	-	5,113	-	-
Auditor's remuneration:			-	-
Audit fees	6,000	8,400	-	-

14 Intangible fixed assets – group

	Software £
Cost	
At 1 April 2018 and 31 March 2019	45,593
Amortisation and impairment	
At 1 April 2018	21,355
Charge for year	15,045
At 31 March 2019	36,400
Net book value	
At 31 March 2019	9,193
At 31 March 2018	24,238

The company had no intangible fixed assets at 31 March 2019 (2018: £nil).

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

15 Tangible fixed assets – group

	Fixtures, fittings & equipment £
Cost	
At 1 April 2018	55,809
Additions	18,176
At 31 March 2019	<u>73,985</u>
Depreciation	
At 1 April 2018	29,401
Charge for the year	11,176
At 31 March 2019	<u>40,577</u>
Net book value	
At 31 March 2019	<u>33,408</u>
At 31 March 2018	<u>26,408</u>

The company had no tangible fixed assets as at 31 March 2019 (2018: £nil).

16 Movement in fixed asset listed investments

Group	2019 £	2018 £
Market value brought forward at 1 April 2018	32,628,930	40,945,007
Add: Additions to investments at cost	4,697,725	7,014,354
Net disposals at carrying value	(9,589,178)	(14,739,183)
Add net gain/(loss) on revaluation	300,831	(591,248)
Market value as at 31 March 2019	<u>28,038,308</u>	<u>32,628,930</u>
	2019 £	2018 £
Investments at fair value comprised:		
Equities	15,925,250	20,969,203
Fixed interest securities	9,113,058	7,659,727
Cash held within the investment portfolio	3,000,000	4,000,000
Total	<u>28,038,308</u>	<u>32,628,930</u>

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

16 Movement in fixed asset listed investments (continued)

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Trust is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Trust from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Due to 'quantitative easing' and market sentiment favouring lower risk investments, the yield on bonds has been abnormally low giving rise to a significant downside risk of a fall in capital values when interest rates return to normal levels. Although rising interest rates resulting from a stronger economy and improved economic activity should be indicative of improving dividend yields and equity values, there is a concern that the abnormal availability of 'cheap money' to the banking sector has led to wider overvaluation of traded assets (an 'asset bubble') that may depress equity values once economic conditions ease. The Trust is reliant on dividend yield in part to finance its work and this leads to a greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling. The outlook for the sterling exchange rate is that it is anticipated to weaken as European, US and Asian economies strengthen. A weakening in the exchange rate will improve sterling returns from foreign currency denominated holdings.

The default rate on fixed interest securities due to corporate failures is expected to improve with a strengthening economy. The high current demand for high quality corporate bond and government stock continues to depress the yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Trust's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Trust manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Trust does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

Company

The company had no fixed asset listed investments as at 31 March 2019 (2018: £nil).

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

17 Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Other debtors	362,299	359,416	-	-
	<u>362,299</u>	<u>359,416</u>	<u>-</u>	<u>-</u>

18 Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	83,588	117,171	-	-
Accruals for grants payments	1,512,139	1,149,897	-	-
Accruals and deferred income	22,638	56,622	-	-
Taxation and social security	24,893	17,442	-	-
Other creditors	9,670	6,459	-	-
	<u>1,652,928</u>	<u>1,347,591</u>	<u>-</u>	<u>-</u>

At the balance sheet date, there is deferred income totalling £nil (2018: £23,300) in relation to a grant for which one or more of the criteria for recognition had not been met by the year end.

19 Analysis of charitable funds – Group

Analysis of fund movements	Balance b/fwd	Income	Expenditure	Gains/ (losses)	Transfers	Fund c/fwd
	£	£	£	£	£	£
Unrestricted funds						
Intangible fixed assets	24,238	-	(15,045)	-	-	9,193
Tangible fixed assets	26,408	-	(11,176)	-	18,176	33,408
Future grants agreed in principle	<u>8,658,856</u>	<u>-</u>	<u>(4,554,723)</u>	<u>-</u>	<u>4,525,676</u>	<u>8,629,809</u>
Total designated funds	8,709,502	-	(4,580,944)	-	4,543,852	8,672,410
General funds	<u>28,708,673</u>	<u>1,067,428</u>	<u>(3,596,409)</u>	<u>577,651</u>	<u>(4,543,852)</u>	<u>22,213,491</u>
Total unrestricted funds	<u>37,418,175</u>	<u>1,067,428</u>	<u>(8,177,353)</u>	<u>577,651</u>	<u>-</u>	<u>30,885,901</u>
 Restricted funds	 75,000	 148,300	 (113,925)	 -	 -	 109,375
Total funds	<u>37,493,175</u>	<u>1,215,728</u>	<u>(8,291,278)</u>	<u>577,651</u>	<u>-</u>	<u>30,995,276</u>

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

19 Analysis of charitable funds – Group (continued)

- (a) The unrestricted funds are available to be spent for any of the purposes of the charity.

The Trustees have created the following designated funds:

Intangible fixed assets:	The designated intangible fixed asset fund represents the net book value of intangible fixed assets.
Tangible fixed assets:	The designated fixed assets fund represents the net book value of tangible fixed assets.
Future grants agreed in principle:	The designated grants fund represents grants agreed to be awarded in principle but for which there is no commitment at the year.

- (b) Restricted funds:
- William Grant Foundation: To be distributed as multiple grants to organisations within the Trust's existing Dementia Friendly Communities portfolio. The balance brought forward of £75,000 was fully expended as well as £23,300 of deferred income as at 31 March 2018 that was released in the year.

The Baring Foundation: Match funding received to establish a dementia inclusive choir network in Scotland. Income of £125,000 was received in the year with £15,625 of grants expended.

Company

The company had no funds at either 31 March 2019 or 31 March 2018.

20 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group	
	2019	2018
	£	£
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	(6,497,899)	(6,187,044)
Adjustment for:		
Amortisation charges	15,045	15,046
Depreciation charges	11,176	14,006
Income from investments	(1,067,094)	(1,215,783)
(Increase)/decrease in debtors	(2,883)	86,588
Loss on disposals of fixed assets	-	5,111
Increase/(decrease) in creditors	305,377	43,315
(Gain)/losses on investments	(577,653)	(348,858)
Net cash provided by/(used in) operating activities	(7,813,969)	(6,889,903)

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 (continued)

21 Analysis of cash and cash equivalents

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Cash in hand	4,204,996	5,801,774	-	-
Total cash and cash equivalents	4,204,996	5,801,774	-	-

22 Operating lease commitments

Group

The group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Property		Other	
	2019	2018	2019	2018
	£	£	£	£
In less than one year	54,013	54,013	648	5,693
In the second to fifth year inclusive	162,040	216,053	1,944	-
	216,053	270,066	2,592	5,693

Company

At the financial reporting end date, the charitable company had no outstanding commitments.

LIFE CHANGES (TRUSTEE) LIMITED
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019 *(continued)*

**The following pages are unaudited and
do not form part of the statutory accounts.**

LIFE CHANGES (TRUSTEE) LIMITED

STATEMENT OF TRUST PROTECTOR FOR THE YEAR ENDED 31 MARCH 2019

1. I was appointed as Protector of the Life Changes Trust with effect from 8 March 2013 by letter dated 17 July 2013.

My re-appointment for a further 3 years was confirmed by letter dated 20 February 2018 from Martin Crawley, Scotland Director for National Lottery Community Fund.

2. The Trust Deed by the Big Lottery Fund (now known as the National Lottery Community Fund) (the 'Fund') dated 5 and 19 February 2013 (the 'Trust Deed') constituting the Life Changes Trust (the 'Trust') and appointing as Trustee Life Changes Trustee Limited (incorporated under the Companies Acts with registered number 440964, a Scottish Charity, with Scottish Charity Number SCO43735 and with registered office formerly at 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL, thereafter at Empire House, 131 West Nile Street, Glasgow G1 2RX and now at Edward House, 2nd Floor, 199 Sauchiehall Street, Glasgow G2 3EX) (the 'Trustee') requires under para 13.1 that:-

'The Protector shall in each year prepare a statement for publication by the Trustee in such format as the Protector shall think fit consisting of an explanation of the function of the Protector and how the function has been exercised.'

There is no prescribed format for such a statement.

3. The Purposes of the Trust are: -
 - 3.1 the relief of those in need by reason of age, ill-health, disability or financial hardship, the advancement of citizenship and community development and the advancement of education and health by a person-centred, holistic approach to the care and support of young people leaving care and older people with dementia, with the aim of improving the lives of the beneficiaries and their carers including through grants, awards or other support to formally constituted organisations and individuals; and
 - 3.2 the promotion of such similar charitable purposes, objects and institutions and in such proportions and manner as the Trustee shall think fit
 4. The Trust Deed also contains extensive and wide-ranging powers to the Trustee, appropriate restrictions on the power of investment and provisions regarding the delegation of that power.
 5. Further, the Trust Deed sets forth the Powers of the Protector which may be summarised as follows: -
 - 5.1 to require to receive notice and accompanying papers in relation to all meetings of the Directors of the Trustee or committees of Directors of the Trustee
 - 5.2 to require to attend and speak at all meetings of the Directors of the Trustee and committees of Directors and to table items for discussion at such meetings but not to vote
 - 5.3 to require to consent to various matters.
 6. Importantly, the Trust Deed sets forth an Expression of Wishes on the part of the Fund as settlor which establishes guiding principles to be observed by the Trust. I think it is important to summarise the Expression of Wishes as this provides key guidance to the Trust and the Trustees on the way ahead.
-

LIFE CHANGES (TRUSTEE) LIMITED

STATEMENT OF TRUST PROTECTOR FOR THE YEAR ENDED 31 MARCH 2019

The over-arching aim is stated as: -

'To have substantial and lasting impact, and achieve long-term transformation change for two groups of young and older people in greatest need. It will have the overall purpose of helping improve individual lives.

Whilst the Trust may seek to finesse this over time it is important that the central thrust of this broad aim is not weakened or lost as a result.'

Further, the Trust should aim to achieve the following outcomes:

- Transform the life chances of young people leaving care
- Fundamentally improve the lives of older people with dementia
- Fundamentally improve the lives of the carers of older people with dementia

In addition, the guiding principles include the following: -

- 6.1 Awards should generally be made available to formally constituted organisations or individual beneficiaries
 - 6.2 Awards can be made for revenue or capital expenditure where these are clearly in pursuance of the desired outcomes
 - 6.3 Awards to individuals should be carried out on a non-profit distributing basis
 - 6.4 Awards should be open to all
 - 6.5 Organisational applicants should be properly assessed and individual beneficiaries should have a demonstrable need that is appropriately referenced
 - 6.6 Appropriate and relevant support and guidance should be available to potential applicants
 - 6.7 Recipients should benefit from ongoing advice and support over the life of their project
 - 6.8 The Trust should track and evaluate the impact of its investment
-
7. Further underpinning operating principles are stated and the initial focus of priorities is provided but there is an acknowledgement in the Trust Deed that during the life of the Trust, it may prove appropriate to amend this initial focus in the light of good practice, local and national strategies, existing and emerging research and the Trust's own research and evaluation.
 - 7.1 The function of a Trust Protector has been variously described as that of 'watch-dog', 'mentor', 'overseer' and 'regulator'
 - 7.2 The Fund has several Trust Protectors in place in relation to a variety of spend-out endowment trusts which it has established. Whilst previously there had been an annual meeting of the various Trust Protectors, no such meeting took place during the period under review.
 - 7.3 There is no 'one size fits all' in defining the detailed role of the Protector but the common key element is to ensure the proper administration and protection of the Trust's property by the Trustee. In exercising that function, the Protector must act as a 'critical friend' and familiarisation with the workings of the Trust, its Board and Committees are essential to a proper discharge of the duties of the Protector.
-

LIFE CHANGES (TRUSTEE) LIMITED

STATEMENT OF TRUST PROTECTOR FOR THE YEAR ENDED 31 MARCH 2019

- 7.4 The Protector must be able to provide assurance to the Fund that the funds which it has provided to the Trust are being used in a wholly appropriate manner, that the aim and outcomes are being achieved and that the expression of wishes is being followed. I refer to this assurance below at paragraph 11.
8. The various elements of the process by which I have sought to exercise the function of the Protector are as follows: -
- 8.1 As an observer, I have attended all the Trustee Board Meetings held during the period under review. I have also attended the majority of the various Board Sub-Committee meetings being the People Affected by Dementia Programme Committee, the Care Experienced Young People Programme Committee and the Finance Committee. I also attended the Board's Away Day and additional meetings required as a result of operational requirements during the period under review.
- 8.2 I have received and considered all relevant Minutes and papers for the meetings referred to in 8.1 and have been copied into relevant correspondence. Any requests for supplementary information have been met timeously and in full by the Trustee.
- 8.3 I have had meetings and discussions with the Chair and the Chairs of the various Committees out with the formal meetings.
- 8.4 I have also had discussions with the former Chief Executive, the Acting Chief Executive and the newly appointed Chief Executive and where appropriate, members of staff, about a range of issues and all these discussions have been on an open and positive basis.
- 8.5 In the course of the meetings referred to at 8.1 and 8.3 above, I have had the opportunity to discuss with Trustee Directors both individually and collectively, their consideration of the matters in hand. I have also had the opportunity of private discussion as requested by any Trustee Director in relation to any particular matter requested. In all of these discussions, I have found the Trustee Directors fully prepared to engage with me on an open and constructive basis.
9. Whilst the terms of the Trust Deed do not require me to do so, as in previous years, I wish to take this opportunity to comment on the year under review as follows: -
- 9.1 In my Report for the period to 31 March 2018, I commended the decision of the Trustees to proceed to 'end well' in accordance with the Founding Deed of Trust. The decision has helped direct both the strategic and operational work of the Trust in the period under review and has helped to remove any uncertainty that there might have been on the part of Trustees, staff and stakeholders had such a decision not been taken and one year on, I remain of the view that this decision was well-founded.
- 9.2 On the operational front, there have been major changes with the resignation of the former Chief Executive, the appointment of the new Chief Executive, the reconfiguration of the Senior Management Team and the recruitment of staff to complete the new structure.
- 9.3 Change at any level is not easy and both the Trustees and staff are to be congratulated on the process of change adopted and the results achieved. At the six-year point in its ten-year mission, the changes have helped to focus the Trust's direction for the coming period. As the Trust continues towards its ending, further change will occur but my reflection on the attitude to and willingness to embrace change in the period under review indicates that the Trust is well-prepared for such further change.
-

LIFE CHANGES (TRUSTEE) LIMITED

STATEMENT OF TRUST PROTECTOR FOR THE YEAR ENDED 31 MARCH 2019

- 9.4 I refer to the Trustees' contribution to change process below.
- 9.5 Both Programme Committees have continued to undertake innovative collaborations with others, embracing the priorities of the Trust and ensuring that the rights, relationships and influence of the three beneficiary groups of young people with care experience, people living with dementia and unpaid carers of people with dementia are respected, promoted and embedded in all that the Trust does.
- 9.6 As alluded to in my Report last year, the increasing recognition of the work of the Trust through participation in and contribution to the work of others, including the Scottish Government, in relation to our beneficiary groups is both gratifying as far as the Trust and its beneficiaries are concerned but, as importantly, is an endorsement of the Trust's approach in bringing-about change in the Trust's areas of work which will have a lasting effect.
- 9.7 It is important to maintain a balance between core activity and a contribution to the wider sphere of influence to prevent mission drift and I am satisfied that such a balance is being achieved. Awareness of the balance is key to its achievement and the ability to say 'no' to 'extra-core' involvement is as important as the identification of key opportunities where the Trust's influence can ensure a lasting legacy for its beneficiaries.
- 9.8 During the year under review, I have had the privilege of attending a number of Trust events and I am always enthused by the engagement by participants and their gratitude for the opportunity to be involved. Such events require a lot of staff resource in the planning and execution but the investment is undoubtedly worthwhile. The staff involved are to be congratulated on this area of work and the caring way in which the sensitivities of the participants and the topics being discussed are acknowledged and supported.
- 9.9 As the work of the Trust progresses, the convergent key outcomes of the work of the Programme Committees are becoming more and more apparent. The Trustees and staff acknowledge this and I expect this to be reflected in the overall evaluation of the Trust's work which is just commencing and which will complement the individual project itself and external evaluations which are an integral part of the Trust's methodology.
- 9.10 I wish to acknowledge the considerable contribution of the voluntary Trustees over the period under review, not only to the ongoing work of the Trust but also to the change process undertaken. Extra meetings, emails and telephone discussions have added considerably to an already heavy workload. The willingness of the Trustees to be engaged in this additional burden is to be commended and importantly has set the climate for staff in which the change has been undertaken.
- 9.11 The Finance Committee in supervising both the ongoing financial management and the Trust's investments has been key to producing satisfactory results against a background of continuing upheaval in global financial markets. Regular reports from the Trust's investment advisers, scrutiny of their performance and recommendations have been undertaken against the changing pattern of spend out of funds and necessity to plan for the future. The contribution of the Committee to the successful financial position of the Trust should not be underestimated.
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LIFE CHANGES (TRUSTEE) LIMITED

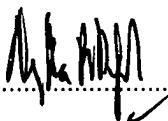
STATEMENT OF TRUST PROTECTOR FOR THE YEAR ENDED 31 MARCH 2019

10. As before, in the period under review, I have endeavoured at all times to act as a 'critical friend'. The Trustee Directors, Chief Executive and staff have been receptive to my interventions and I am grateful to them for their acceptance and support. It is a pleasure to perform my role against the background of committed enthusiasts in all parts of the Trust.

11. Assurance

I am pleased to confirm that on the information available to me, I am able to provide to the Fund an assurance that the funds which it has provided to the Trust are being used in a wholly appropriate manner, that the aim and outcomes are being achieved and that the Expression of Wishes is being followed.

Specifically, I am able to assure the Fund that in my view there is appropriate scrutiny of financial matters, including the performance of the Trust's investment advisers.



Douglas R R Graham

Trust Protector

10 July 2019

LIFE CHANGES (TRUSTEE) LIMITED

(a company limited by guarantee)

TRUSTEES' RESPONSE TO THE PROTECTOR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

Trustee Response

On behalf of the Life Changes Trust and Trustees, I would like to thank the Trust Protector, Douglas Graham, for his Statement for the period 1 April 2018 to 31 March 2019. The Trust Protector prepares a Statement each year, summarising the functions of his role and explaining how his duties have been exercised.

The Trust acknowledges and agrees with the Protector's understanding of the purpose of the Trust and his role and function within it, particularly with regards to his powers and involvement with Trust governance. The Trust notes the Protector's summary of the Expression of Wishes as set out in the Trust Deed as well as the aims and guiding principles contained therein.

The Trust recognises the Protector's summary of responsibility: that the Protector should ensure the proper administration and protection of the Trust, act as a 'critical friend', be familiar with the working principles and methods of the Trust; and that the Protector will also ensure that the funds provided to the Trust are being used in a wholly appropriate manner, that the aims and outcomes are being achieved and that the expression of wishes is being followed.

The Trustees would like to thank the Protector for his observations on the period under review – both for his comments on the progress of the Trust in its aims and for his recognition of Trustees' commitment, particularly during a year of significant change for the organisation.

Trustees acknowledge that the Protector understands and supports the strategic direction of the Trust, and that he is satisfied with the execution of responsibilities of staff who work for the Trust. Finally, we would like to thank Douglas for his ongoing commitment to supporting the Life Changes Trust, helping it become an effective organisation that creates better lives for its beneficiaries.



Alexis Jay, Chair, Life Changes Trust, on behalf of Trustees

September 2019