

Company No: SC158690  
Scottish Charity: SC023790

**CARE AND REPAIR EDINBURGH LTD.**  
(a company limited by guarantee)  
**ANNUAL REPORT and FINANCIAL STATEMENTS**  
**For the year ended 31 March 2020**

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**CARE AND REPAIR EDINBURGH LTD.**

**ANNUAL REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

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**CARE AND REPAIR EDINBURGH LTD.**

**ANNUAL REPORT and FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Directors</b>	Mike Wagner (Chair) David McIntosh Marion McMurdo Marc Page Andrew Senew Brian Sloan
<b>Secretary</b>	Derek McKinley
<b>Registered Office</b>	Causewayside House 1 <sup>st</sup> Floor 160 Causewayside Edinburgh EH9 1PR
<b>Bankers</b>	Bank of Scotland plc 32 Brandon Parade South Motherwell ML1 1RB
<b>Auditor</b>	BDO LLP City Point 65 Haymarket Terrace Edinburgh EH12 5HD
<b>Solicitors</b>	Turcan Connell New Uberior House 1 Earl Grey Street Edinburgh EH3 9EE
<b>Charity No</b>	SC023790
<b>Company No</b>	SC158690

## **CARE AND REPAIR EDINBURGH LTD.**

### **DIRECTORS' REPORT**

#### **For the year ended 31 March 2020**

The Directors (Trustees for the purposes of Charity Law) present their report and audited financial statements for the year ended 31 March 2020. Note the Directors' Report also encompasses the Trustees' Report.

The objectives of the charity are:

Care and Repair Edinburgh Ltd. ("C&RE") is a charity that provides practical services to older and disabled people in Edinburgh which supports them in being able to lead independent lives at home within a safe and secure environment, for as long as they want to and are able.

#### **Objectives and Activities**

1. To help older owners whose homes are in need of repairs, improvements, and adaptations.
2. To continue to provide preventative services which improve quality of life and independence at home for older people and those with a disability.
3. To support disabled people in the provision of equipment and adaptations.
4. To provide a co-ordinated response to older people who require assistance to return from hospital or to prevent an unnecessary emergency admission.
5. To ensure awareness of all Care and Repair services throughout the voluntary and statutory sector, local agencies, and our intended client group.
6. To maintain the highest standards and to demonstrate best practice in the delivery of our services.

Key services which revolve around the client and their home environment are the provision of:

- Volunteer Handyperson - DIY assistance around the home
- Key Safe fitting – to speed up hospital discharges and get people home
- Minor adaptations - such as fitting grab rails and ramps
- Major adaptations - practical assistance in carrying out larger works such as fitting a level access shower-room
- Referrals to reliable Trusted Traders
- Advice, information and signposting to other organisations

#### **The Current Environment for Care and Repair in Scotland**

According to Scottish Government figures, the number of over 75-year olds in Scotland will increase by 85% between 2010 and 2035. Within City of Edinburgh this number is expected to rise by 58%. At the same time 90% of older people continue to live in standard un-adapted homes where a declining ability to carry out maintenance results in poor living conditions and increasing likelihood of hospital admissions especially from trips and falls.

When asked about their housing preferences, older people in Scotland prefer to remain and adapt their own home to moving on a ratio of approximately 2:1. So we can predict that around 60% of Scotland's over 75s will be looking to remain in their own homes.

Older and disabled people in Edinburgh will require an escalating need for cost effective assistance to remain safely in their own homes. When asked about their housing preferences, older people in Scotland quote the following priorities.

1. Close to local shops and services 51%
2. A smaller / more manageable home 38%
3. Close to current local community 36%
4. Ability for home to be adapted to changing needs over time 34%
5. Management and maintenance being taken care of 28%
6. Secure entry system 26%

Care and Repair Edinburgh meets priorities 2, 4, 5 and 6 through the variety of services it provides.

## CARE AND REPAIR EDINBURGH LTD.

### DIRECTORS' REPORT (continued)

#### For the year ended 31 March 2020

#### **The Current Environment for Care and Repair in Scotland (continued)**

C&RE provides valuable services to older and disabled people within the City of Edinburgh boundaries by helping to improve and develop their homes so they can remain living independently for as long as they want and are able. We also save Edinburgh Health and Social Care Partnership (EHSCP) by minimising hospital admissions and enabling speedy home from hospital services to reduce delayed discharge.

Against this high and increasing demand, Care and Repair Edinburgh is operating in a challenging funding environment. The Edinburgh Health and Social Care Partnership, the current primary funder are also having to meet escalating demand across all sectors with finite funds.

This escalating demand together with funding pressures creates a challenging environment which Care and Repair Edinburgh needs to navigate to ensure the continuity of services in a cost effective and affordable manner.

#### **Critical Service Delivery on behalf of the Edinburgh Health & Social Care Partnership**

Against this backdrop, C&RE has continued to provide these critical services, enabling EHSCP to gain the following benefits which are directly in line with their own objectives:

- C&RE's team of around 40 volunteers ensures that more elderly residents across Edinburgh feel less isolated, yet more secure within their own homes by offering a range of services from changing a lightbulb to fitting door chains. They are highly skilled at connecting the elderly with family, friends and the outside world e.g. setting up digital services, online shopping etc. and also provide social contact to those who may be lonely or isolated.
- C&RE's reliable and trustworthy Small Repairs service continues to eliminate trip hazards within the elderly person's home by repairing thresholds etc. and preventing falls by fitting handrails, grab-rails etc. (within 24 hours where necessary), resulting in fewer hospital admissions and enabling the elderly across Edinburgh to live at home for longer.
- C&RE's responsive keysafe fitting service (within 24 hours where necessary) continues to assist patients leaving hospital with a care at home package and prevents hospital admission in the first place. Carers can access a property without the need for the elderly person to be mobile to answer the door. They also have better peace of mind because the keysafes are Police and British Board of Insurers approved.
- C&RE's Trade Referral service continues to support vulnerable elderly people across Edinburgh find trades who are sensitive to older and disabled people's needs.
- C&RE's EasiAccess equipment continues to be installed more widely across Edinburgh. Our joiner is a qualified Trusted Assessor, which means he can measure, prescribe and fit equipment as a one-stop-shop which enables Allied Health Professionals (including Occupational Therapists) to concentrate on more urgent and complex cases, which in turn, will alleviate pressure.

#### **Achievements and performance from April 2019 to March 2020**

A contract with EHSCP is in place covering a proportion of the services provided by the organisation. This contract provides a substantial portion of our income, with the balance generated through donations, fundraising and service charges. The table below shows the targets set and figures achieved for 2019/20:

Service Area	Target	Actual
Small Repairs	400	515
Keysafes	850	971
Handyperson jobs	800	1421
Trade referrals	1200	1470

## **CARE AND REPAIR EDINBURGH LTD.**

### **DIRECTORS' REPORT (continued)**

#### **For the year ended 31 March 2020**

In addition to funded projects, clients were visited and given advice and support on a variety of topics including: repair and improvement options; ways to make their homes safer, warmer and more secure; suggesting potential sources of funding including disability grants, central heating and energy efficiency grants; guidance and intensive support with arranging major works, including co-ordinating architects, building surveyors, occupational therapists, housing officers and contractors.

#### **Operational Review**

During the year the Charity made a number of significant operational enhancements.

In August 2019, C&RE vacated premises at 1 Osborne Terrace at the end of the lease period which was not offered for renewal by the landlord. We moved into premises leased by Age Scotland at 160 Causewayside, Edinburgh, EH9 1PR.

At the same time a Service Outsourcing Agreement was entered into by the Directors to outsource a series of support services to Age Scotland. The aim of this outsourcing was to obtain more sophisticated and robust solutions for C&RE at a lower cost that was currently being supported.

At the same time, C&RE became part of the Age Scotland Independent Living programme providing enhanced services to Edinburgh residents that includes a helpline, community connecting facility and good day calls service.

The service included in the outsourcing agreement include:

- Management
- Premises
- Office furniture
- Finance
- HR
- IT
- Marketing

During the period a new website was launched for C&RE which can be found at [www.cre.scot](http://www.cre.scot). The new website is optimised to make it accessible on mobile phones and has enhanced functionality including the ability to request services online. This is particularly useful for Health Professionals and those with parents living in Edinburgh but who may reside elsewhere. The website also contains payment facilities designed to improve cash flow and reduce bad debts.

Also during the year C&RE upgraded their CRM technology to Charity Log. This has required the updating of processes and financial controls and will provide a more robust platform for managing client's records in a safe and compliant manner while improving financial controls. This has been a major activity in the period.

The flat owned by Care and Repair, Edinburgh located at 52 Sloan Street is currently let to the City of Edinburgh Council's Temporary Accommodation Service for homeless people. This allows us to generate an income of £8.8K per annum and also assists with the organisation's objectives of helping the elderly and/or disabled as we have specified these criteria for tenants.

The premises are currently vacant and in need of refurbishment and C&RE are currently looking at options for upgrading.

#### **Fundraising**

Fundraising raised £25K in the year from a variety of sources. This is 58% below plan and reflects staffing issues during the year as well as the timing of awards – significant awards were made post-period in April 2020.

We are especially grateful to the Crerar Hotel Trust (£10K), the Margaret Butter Reekie Trust (£5K) and Queensberry House Trust (£5K) and others for their support. We would also like to thank the Hobson Trust and the AABI Trust for funds towards our keysafe hardship fund to enable people to be discharged from hospital.

## **CARE AND REPAIR EDINBURGH LTD.**

### **DIRECTORS' REPORT (continued)**

#### **For the year ended 31 March 2020**

##### **Financial Review**

The results for the year are set out on page 11 the Financial Statements. The Directors consider the state of affairs of the organisation to be satisfactory. Budgets are set on an annual basis, against which financial performance is monitored monthly during the year and reported quarterly to the Board.

The charity made a surplus of £38K (2019: £40K) in the year ended 31 March 2020. Whilst revenue was down by £27K, 70% of this was due to fundraising and is expected to reverse in 2020-21. Lower service charges to users accounted for a further 20% of the shortfall. The reduction in revenue was largely matched by a £26K drop in expenditure primarily due to a review of structure that reduced the number of roles.

##### **Principal Funding Sources**

The principal sources of funding are the Edinburgh Health and Social Care Partnership contract, service charges to clients, donations, trust fund applications and fundraising.

##### **Reserves Policy**

The Reserves Policy (revised in July 2014) states that the charity aims to hold unrestricted free reserves of between £90,000 and £250,000, in order to:

- meet contractual liabilities should the organisation have to close
- meet unexpected costs such as breakdown of equipment or staff sickness cover
- continue to provide a stable and quality service
- provide working capital if funding is paid late

During the year, the Directors reviewed the Reserves Policy. The Directors believe that the existing Policy is still both relevant and practical and so have agreed to continue on that basis.

The Charity held free funds totalling £176K (2019: £154K) at 31 March 2020. This falls within the acceptable parameters of the Reserves Policy. Restricted funds of £42K (2019: £22K) are also held.

##### **Going concern and the impact of COVID-19**

In December 2019, the coronavirus circulated across the world, and was declared a pandemic in March 2020. On 16 March the UK government advised against all nonessential travel and for individuals to stay at home.

The impact of this has caused a significant change to the activities and results of the charity during 2020; our customer-facing activities have been paused and our office staff are working remotely. As our services involve face to face contact with older vulnerable people, we had to freeze our small repairs service until the summer. Our keysafe installation service continued to operate by strictly following social distancing guidelines. We redeployed some of our employees to support the Age Scotland helpline, which was expanded to accommodate an increase in demand during the crisis. The costs of those employees were met by Age Scotland during this time. Additionally, we furloughed some employees while some services were suspended.

Since the lockdown, our fundraising team has worked tirelessly to encourage new partnerships to help the charity combat the impact of this terrible situation on our older community. The virus disproportionately affects older people and the heightened public awareness of that outcome has led to a short term increase in funding. Notwithstanding that improvement, we are mindful that it is universally acknowledged that the aftermath of this crisis will see a significant economic recession, which will undoubtedly have an adverse impact on future fundraising. Where possible, we have tried to mitigate the loss of our trading incomes by cost reductions.

We are actively looking at possibilities to defer non-critical expenditure or to change the scope of projects to reduce the short term cost to the charity, and expect to continue to implement mitigating measures during 2020 and, if necessary, beyond. In light of the uncertainty around the economic impact of the virus, we continue to plan and forecast on a short term basis as there is little value in looking further until there is greater clarity. The Directors closely monitor the impact of this pandemic on the charity's activities and will continue to adapt and progress as the landscape changes in order to protect the charity's future survival. This has included carrying out reverse stress-tests to establish whether the charity would have any significant cash flow concerns should income fall materially in the coming 12 months from what is currently projected.

## **CARE AND REPAIR EDINBURGH LTD.**

### **DIRECTORS' REPORT (continued)**

#### **For the year ended 31 March 2020**

##### **Going concern and the impact of COVID-19 (continued)**

Given the strength of the balance sheet and availability and liquidity of unrestricted assets coupled with the fact that our current funding with EHSCP is in place until 31 March 2021, the Directors believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The Directors therefore consider it appropriate for the accounts to be prepared on a going concern basis. The financial statements do not include any adjustment should the going concern basis of preparation be inappropriate.

##### **Plans for future periods**

It is our intention in 2020-21 to review our strategy considering the impact of coronavirus and the likely change in both funding and service provision requirements.

The main service expansion for 2020-21 will be the planned launch of an Independent Living Adviser able to conduct a full suitability assessment of an older or disabled person's home. The role is in partnership with ROSPA, Changeworks and COSLA and we have now secured funding for a full year's operations. The role will commence once the coronavirus rules allow home visits to be undertaken safely.

During the period we have enhanced the depth of our relationships with EHSCP and we are looking forward to engaging in the transformation programme that is currently being worked. We see C&RE as ideally placed to co-produce services that meet our charitable objectives and enhance living standards for Edinburgh's older and disabled residents.

##### **Governing document**

Care and Repair Edinburgh Ltd. was incorporated on 15 June 1995 as a charitable company limited by guarantee, taking over the activities of the former unincorporated charity established in 1985. The company is governed by a Memorandum and Articles of Association and promotes the welfare of older or disabled people in Edinburgh by enabling and supporting them in the repair and upgrade of their homes.

The company is governed by a Board of Directors of up to ten people on a voluntary and non-paid basis.

There were no changes to Directors in the year.

C&RE is a pivotal part of Age Scotland's Independent Living proposition linking together the older people's Helpline, Community Connecting, Smoker Alarm service and Good Day Calls. These services provide vital support to older and disabled people looking to live independently in their own home. The Age Scotland Independent Living Development Manager has overall responsibility for the promotion of these services and in future will assume line management responsibility for C&RE.

The Independent Living Development Manager reports quarterly to the Board of Directors and C&RE is responsible for 50% of the associated costs. The Board is reflecting upon future appointments, which will be determined by a skills audit of existing capability and requirements and where the gaps may be. This will determine targeted recruitment going forward.

The Directors are responsible for:

- Strategy, planning and performance reviews, including risk management.
- Commitment and deployment of physical, fiscal and human resources.
- Ensuring the operation of Care and Repair Edinburgh within the limits determined by its Business Planning and Strategy setting.
- Representing the interests of sector stakeholders and furthering relationships with them.
- Ensuring the appropriate standards of corporate governance and personal conduct on the part of Directors and staff are maintained.
- Reviewing the salaries of all employees on an annual basis against budget provision, ensuring that Care and Repair Edinburgh can recruit, retain and motivate staff.



## **CARE AND REPAIR EDINBURGH LTD.**

### **DIRECTORS' REPORT (continued)**

#### **For the year ended 31 March 2020**

##### **Statement of Directors Responsibilities in relation to the financial statements**

The Directors (Trustees for the purposes of Charity Law) are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law and charity law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law and charity law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

##### **Statement of Disclosure to the Auditor**

In so far as the directors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The directors 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 special provisions relating to small entities.

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



**Mike Wagner**  
**Director**

**11<sup>th</sup> September 2020**

## **CARE AND REPAIR EDINBURGH LTD.**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF CARE AND REPAIR EDINBURGH LTD.**

#### ***Opinion***

We have audited the financial statements of Care and Repair Edinburgh Ltd. ("the Charitable Company") for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 March 2020 and of its incoming resources and application of resources 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.

#### ***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 relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 2 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Conclusions related 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors 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 auditor's report thereon. The Directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **CARE AND REPAIR EDINBURGH LTD.**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF CARE AND REPAIR EDINBURGH LTD. (CONTINUED)**

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.

#### ***Opinions 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, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### ***Matters on which we are required to report by exception***

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Director's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion;

- proper and 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

#### ***Responsibilities of Directors***

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determines 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 Directors 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 Directors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

## **CARE AND REPAIR EDINBURGH LTD.**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF CARE AND REPAIR EDINBURGH LTD. (CONTINUED)**

#### ***Auditor's responsibilities for the audit of the financial statements***

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

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

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

#### **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 the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and Directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Directors as a body, for our audit work, for this report, or for the opinions we have formed.



Martin Gill (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Edinburgh, UK  
Date: 21 September 2020

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**CARE AND REPAIR EDINBURGH LTD.**

**STATEMENT of FINANCIAL ACTIVITIES (INCLUDING the INCOME and EXPENDITURE ACCOUNT)**

**For the year ended 31 March 2020**

	Notes	2020			2019		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		funds £	funds £	funds £	funds £	funds £	funds £
<b>Income from:</b>							
Donations and fundraising	4	30,932	20,112	51,044	63,616	17,500	81,116
Charitable activities	5	98,723	241,839	340,562	95,594	241,838	337,432
<b>Total income</b>		<b>129,655</b>	<b>261,951</b>	<b>391,606</b>	<b>159,210</b>	<b>259,338</b>	<b>418,548</b>
<b>Expenditure on:</b>							
Charitable activities	6	61,646	291,674	353,320	33,984	344,822	378,806
<b>Total expenditure</b>		<b>61,646</b>	<b>291,674</b>	<b>353,320</b>	<b>33,984</b>	<b>344,822</b>	<b>378,806</b>
<b>Net income/expenditure before transfers</b>		<b>68,009</b>	<b>(29,723)</b>	<b>38,286</b>	<b>125,226</b>	<b>(85,484)</b>	<b>39,742</b>
<b>Transfers between funds</b>	11	<b>(49,580)</b>	<b>49,580</b>	<b>-</b>	<b>(88,282)</b>	<b>88,282</b>	<b>-</b>
<b>Net movement in funds</b>		<b>18,429</b>	<b>19,857</b>	<b>38,286</b>	<b>36,944</b>	<b>2,798</b>	<b>39,742</b>
<b>Reconciliation of Funds</b>							
Funds brought forward	11,12,13	181,371	21,831	203,202	144,427	19,033	163,460
<b>Balance at 31 March 2020</b>		<b>199,800</b>	<b>41,688</b>	<b>241,488</b>	<b>181,371</b>	<b>21,831</b>	<b>203,202</b>

There were no recognised gains or losses other than the net movement in funds for the year. All of the above results derive from continuing activities.

The notes on pages 13 to 20 form part of these financial statements.

**CARE AND REPAIR EDINBURGH LTD.**

**BALANCE SHEET**

**For the year ended 31 March 2020**

		2020	2019
	Notes		
Tangible fixed assets	8	35,070	39,073
Current Assets			
Debtors	9	57,245	26,337
Bank and Cash in hand		<u>166,857</u>	<u>183,881</u>
		224,102	210,218
Creditors:			
Amounts falling due within one year	10	<u>(17,684)</u>	<u>(46,089)</u>
Net current assets		206,418	164,129
Net Assets		<u><u>241,488</u></u>	<u><u>203,202</u></u>
Funds			
Restricted Funds	11	41,688	21,831
Unrestricted Funds			
General Funds	12	179,615	160,439
Designated Funds	13	<u>20,185</u>	<u>20,932</u>
		199,800	181,371
		<u><u>241,488</u></u>	<u><u>203,202</u></u>

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime.

The financial statements were approved by the Directors on 11<sup>th</sup> September 2020 and signed on their behalf by:

*M. R. Wagner*

Mike Wagner  
Director

Company Registration Number SC158690

## **CARE AND REPAIR EDINBURGH LTD.**

### **NOTES to the FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

#### **1. Company information**

Care and Repair Edinburgh Ltd. is a Scottish Charitable Incorporated Organisation (SCIO) limited by guarantee. It is registered in Scotland with charity number SC023790 and company number SC158690. The registered office is 160 Causewayside, Edinburgh, EH9 1PR. The financial statements are denominated in pounds Sterling which is the functional currency.

#### **2. Accounting Policies**

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)). The charity is exempt from preparing a cash flow statement as it does not meet the definition of a large charity under the Charities SORP.

Care and Repair Edinburgh Ltd. meets the definition of a public benefit entity under FRS 102.

##### **Going concern**

In December 2019, the coronavirus circulated across the world, and was declared a pandemic in March 2020. On 16 March the UK government advised against all nonessential travel and for individuals to stay at home.

The impact of this has caused a significant change to the activities and results of the charity during 2020; our customer-facing activities have been paused and our office staff are working remotely. As our services involve face to face contact with older vulnerable people, we had to freeze our small repairs service until the summer. Our keysafe installation service continued to operate by strictly following social distancing guidelines. We redeployed some of our employees to support the Age Scotland helpline, which was expanded to accommodate an increase in demand during the crisis. The costs of those employees were met by Age Scotland during this time. Additionally, we furloughed some employees while some services were suspended.

Since the lockdown, our fundraising team has worked tirelessly to encourage new partnerships to help the charity combat the impact of this terrible situation on our older community. The virus disproportionately affects older people and the heightened public awareness of that outcome has led to a short term increase in funding. Notwithstanding that improvement, we are mindful that it is universally acknowledged that the aftermath of this crisis will see a significant economic recession, which will undoubtedly have an adverse impact on future fundraising. Where possible, we have tried to mitigate the loss of our trading incomes by cost reductions.

We are actively looking at possibilities to defer non-critical expenditure or to change the scope of projects to reduce the short term cost to the charity, and expect to continue to implement mitigating measures during 2020 and, if necessary, beyond. In light of the uncertainty around the economic impact of the virus, we continue to plan and forecast on a short term basis as there is little value in looking further until there is greater clarity. The Directors closely monitor the impact of this pandemic on the charity's activities and will continue to adapt and progress as the landscape changes in order to protect the charity's future survival. This has included carrying out reverse stress-tests to establish whether the charity would have any significant cash flow concerns should income fall materially in the coming 12 months from what is currently projected.

Given the strength of the balance sheet and availability and liquidity of unrestricted assets coupled with the fact that our current funding with EHSCP is in place until 31 March 2021, the Directors believe that, while uncertainty exists, this does not pose a material uncertainty that would cast doubt on the charity's ability to continue as a going concern. The Directors therefore consider it appropriate for the accounts to be prepared on a going concern basis. The financial statements do not include any adjustment should the going concern basis of preparation be inappropriate.

## **CARE AND REPAIR EDINBURGH LTD.**

### **NOTES to the FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

#### **2. Accounting Policies (continued)**

##### **Significant judgements and estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. The only estimate that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is in relation to the useful lives of assets. The directors regard their estimate as prudent.

##### **Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for carrying amounts of tangible assets.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity. Restricted funds are funds which are to be used in accordance with specific instructions imposed upon amounts received. Further details of the nature and purpose of restricted funds can be seen in note 11.

##### **Income**

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

##### **Donations and similar income**

Donations and similar income are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

##### **Grants receivable**

Grants receivable are credited to the Statement of Financial Activities in the year for which they are receivable. Accrued income represents income for the current year received after the year end.

##### **Reliance on volunteers**

The charity relies heavily on volunteers both for service delivery and at Board level. No valuation of volunteers' time is included in the financial statements.

##### **Expenditure**

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

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them including governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the costs linked to the strategic management of the charity.

##### **Operating leases**

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the lease term.



## **CARE AND REPAIR EDINBURGH LTD.**

### **NOTES to the FINANCIAL STATEMENTS**

#### **For the year ended 31 March 2020**

#### **2. Accounting Policies (continued)**

##### **Tangible fixed assets and depreciation**

Individual fixed assets costing £500 or more are capitalised at cost. Tangible fixed assets are stated at cost, less depreciation provided at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life as follows:

Plant, Equipment and Vehicles	4 and 5 years
Property	50 years
Leasehold Improvements	over the term of the lease

##### **Financial instruments**

The charity has only basic financial instruments (financial assets and financial liabilities). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### **Debtors**

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

##### **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.

##### **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.

##### **VAT**

The charity is VAT registered and accordingly, expenditure in these financial statements is stated exclusive of VAT where recoverable.

##### **Pensions**

The charity contributes to individual personal pension plans of eligible employees. Costs are charged to the Statement of Financial Activities when incurred.

##### **Taxation**

As the company is recognised by H M Revenue & Customs as a charity, there is no liability to taxation arising on the results of the year.

# CARE AND REPAIR EDINBURGH LTD.

## NOTES to the FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2020

### 3. Net movement in funds

	2020 £	2019 £
The net movement in funds in the year is stated after charging:		
Depreciation of tangible fixed assets	4,003	6,852
Auditor's remuneration - audit services	3,576	3,350
Pension costs	5,015	7,015
Operating lease payments	6,337	15,443
	=====	=====

4. Donations	Un-restricted £	Restricted £	2020 Total £	Un-restricted £	Restricted £	2019 Total £
Donations	25,932	-	25,932	28,951	-	28,951
Fundraising	5,000	20,112	25,112	34,665	17,500	52,165
	-----	-----	-----	-----	-----	-----
	30,932	20,112	51,044	63,616	17,500	81,116
	=====	=====	=====	=====	=====	=====

### 5. Income from charitable activities

	Un-restricted £	Restricted £	2020 Total £	Un-restricted £	Restricted £	2019 Total £
City of Edinburgh Council contract income	-	241,839	241,839	-	241,838	241,838
Service charges to Beneficiaries	40,528	-	40,528	39,594	-	39,594
Key safe charges	44,166	-	44,166	41,337	-	41,337
Other income (including suppliers' subscriptions)	5,149	-	5,149	5,783	-	5,783
Rental income (Sloan St. Property)	8,880	-	8,880	8,880	-	8,880
	-----	-----	-----	-----	-----	-----
	98,723	241,839	340,562	95,594	241,838	337,432
	=====	=====	=====	=====	=====	=====

### 6. Expenditure on charitable activities

	Un-restricted £	Restricted £	2020 Total £	Un-restricted £	Restricted £	2019 Total £
Employee costs	-	158,186	158,186	-	223,637	223,637
Building overhead	-	11,970	11,970	-	12,183	12,183
Office running costs	-	38,827	38,827	-	32,776	32,776
Share of central overheads	-	66,655	66,655	-	-	-
Professional fees	4,506	-	4,506	29,887	-	29,887
Repair materials	52,817	-	52,817	-	58,150	58,150
Vehicle running costs	-	12,780	12,780	-	11,100	11,100
Depreciation and loss on disposal	747	3,256	4,003	747	6,976	7,723
Governance (note 6a.)	3,576	-	3,576	3,350	-	3,350
	-----	-----	-----	-----	-----	-----
	61,646	291,674	353,320	33,984	344,822	378,806
	=====	=====	=====	=====	=====	=====

**CARE AND REPAIR EDINBURGH LTD.**

**NOTES to the FINANCIAL STATEMENTS (Continued)**

**For the year ended 31 March 2020**

<b>6a. Governance costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration - audit services	3,576	3,350
	-----	-----
	3,576	3,350
	=====	=====

<b>7. Staff Costs</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
The average number of staff employed (headcount) during the year was:		
Administration	5	7
Projects and fieldwork	2	2
	-----	-----
	7	9
	=====	=====

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
The aggregate remuneration and associated staff costs:		
Wages and salaries	141,526	193,605
Social security costs	7,245	13,704
Pension costs	5,015	7,015
	-----	-----
	153,786	214,324
Recruitment, payroll, agency staff and personnel costs	4,400	9,313
	-----	-----
	158,186	223,637
	=====	=====

No employee received emoluments in excess of £60,000 during the year (2019: None). Key Management Personnel are considered to be the directors and the CEO. The senior management function is now outsourced to Age Scotland. The former CEO received £32,457 in the prior year. None of the directors received remuneration during the year (2019: £Nil) and they were reimbursed expenses of £Nil (2019: £Nil).

<b>8. Tangible fixed assets</b>	<b>Property</b>	<b>Leasehold</b>	<b>Plant &amp;</b>	<b>Motor</b>	<b>Total</b>
	<b>£</b>	<b>Improvements</b>	<b>Equipment</b>	<b>Vehicles</b>	<b>£</b>
		<b>£</b>	<b>£</b>	<b>£</b>	
<b>Cost</b>					
At 1 April 2019	54,034	7,175	22,408	9,064	92,681
Additions	-	-	-	-	-
	-----	-----	-----	-----	-----
At 31 March 2020	54,034	7,175	22,408	9,064	92,681
	-----	-----	-----	-----	-----
<b>Aggregate depreciation</b>					
At 1 April 2019	20,772	7,175	19,497	6,164	53,608
Charge for the Year	1,081	-	1,095	1,827	4,003
	-----	-----	-----	-----	-----
At 31 March 2020	21,853	7,175	20,592	7,991	57,611
	-----	-----	-----	-----	-----
<b>Net book value</b>					
At 31 March 2020	32,181	-	1,816	1,073	35,070
	=====	=====	=====	=====	=====
At 31 March 2019	33,262	-	2,911	2,900	39,073
	=====	=====	=====	=====	=====

**CARE AND REPAIR EDINBURGH LTD.**

**NOTES to the FINANCIAL STATEMENTS (Continued)**

**For the year ended 31 March 2020**

<b>9. Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	50,798	16,696
Prepayments and accrued income	6,135	9,641
Other debtors	312	-
	<u>57,245</u>	<u>26,337</u>
	<u>=====</u>	<u>=====</u>

<b>10. Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	1,839	24,102
Tax and social security	6,497	13,083
Accruals and deferred income	9,348	8,904
	<u>17,684</u>	<u>46,089</u>
	<u>=====</u>	<u>=====</u>

	<b>Balance at 31 March 2019</b>	<b>Movement in Resources</b>		<b>Transfer from un-restricted Funds</b>	<b>Balance at 31 March 2020</b>
	<b>£</b>	<b>Income</b>	<b>Expenditure</b>	<b>£</b>	<b>£</b>
<b>11. Restricted funds</b>					
City of Edinburgh Council	-	241,839	(291,419)	49,580	-
Capital grants	12,331	-	-	-	12,331
C M Hendrie Trust	5,000	5,000	-	-	10,000
Home Assessment Officer	4,500	-	-	-	4,500
Crerar Trust	-	10,000	-	-	10,000
James Howat	-	500	-	-	500
Ann Rylands	-	1,000	-	-	1,000
The Hobson Charity	-	2,580	-	-	2,580
Key safe Hardship Fund	-	1,032	(255)	-	777
	<u>21,831</u>	<u>261,951</u>	<u>(291,674)</u>	<u>49,580</u>	<u>41,688</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

	<b>Balance at 31 March 2018</b>	<b>Movement in Resources</b>		<b>Transfer from un-restricted Funds</b>	<b>Balance at 31 March 2019</b>
	<b>£</b>	<b>Income</b>	<b>Expenditure</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>					
City of Edinburgh Council	-	241,838	(330,120)	88,282	-
Capital grants	12,665	-	(334)	-	12,331
Foundations Independent Living Trust	1,368	-	(1,368)	-	-
BOS Foundation	-	13,000	(13,000)	-	-
C M Hendrie Trust	5,000	-	-	-	5,000
Home Assessment Officer	-	4,500	-	-	4,500
	<u>19,033</u>	<u>259,338</u>	<u>(344,822)</u>	<u>88,282</u>	<u>21,831</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

The core activities have been financed by local authority income in order to meet the general objectives of the charity. The shortfall in funding has been met by a transfer from general reserves.

# CARE AND REPAIR EDINBURGH LTD.

## NOTES to the FINANCIAL STATEMENTS (Continued)

### For the year ended 31 March 2020

#### 11. Restricted funds (continued)

Capital Grants represent monies received in respect of property upgrade costs. Expenditure represents the depreciation charges in respect of these assets.

The Foundations Independent Living Trust funding was used to provide repairs in relation to gas safety issues.

The Crerar Hotel Trust and Christina Mary Hendrie Trust funding is being used to support vehicle running costs.

The Hobson Charity and AABI (Key safe hardship Fund) are restricted to cover the cost of fitting key safes for customer who otherwise would not be able to afford the service.

The James Howat donation is restricted for the use of independent living advisors (previously this was called Home assessment officer) expenses.

The Ann Rylands Small Donations Programme is restricted for the use of volunteer expenses.

	Balance at 31 March 2019 £	Income £	Expenditure £	Transfer from un- restricted Funds £	Balance at 31 March 2020 £
<b>12. General funds</b>					
General Fund	160,439 =====	129,655 =====	(60,899) =====	(49,580) =====	179,615 =====

	Balance at 31 March 2018 £	Income £	Expenditure £	Transfer from un- restricted Funds £	Balance at 31 March 2019 £
<b>General funds</b>					
General Fund	122,749 =====	159,210 =====	(33,238) =====	(88,282) =====	160,439 =====

	Balance at 31 March 2019 £	Income £	Expenditure £	Transfer from un- restricted Funds £	Balance at 31 March 2020 £
<b>13. Designated funds</b>					
General Fund - property	20,932 =====	- =====	(747) =====	- =====	20,185 =====

	Balance at 31 March 2018 £	Income £	Expenditure £	Transfer from un- restricted Funds £	Balance at 31 March 2019 £
<b>Designated funds</b>					
General Fund - property	21,678 =====	- =====	(746) =====	- =====	20,932 =====

# CARE AND REPAIR EDINBURGH LTD.

## NOTES to the FINANCIAL STATEMENTS (Continued)

For the year ended 31 March 2020

### 13. Designated funds (continued)

The flat at 52 Sloan Street, is historically used to re-house clients during the repairs/improvements to their homes but it is currently leased to the City of Edinburgh Council Temporary Accommodation Service. Legacy income was designated in 1989/90 to meet the cost of the flat purchased the same year. The balance of (upgrade) costs shown in note 8, have been funded by capital grants (note 11) and the depreciation charges in respect of the property are allocated accordingly.

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>14. Analysis of assets between funds</b>			
Tangible fixed assets	23,609	11,461	35,070
Net current assets	176,191	30,227	206,418
	-----	-----	-----
	199,800	41,688	241,488
	=====	=====	=====
	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>Analysis of assets between funds</b>			
Tangible fixed assets	27,612	11,461	39,073
Net current assets	153,759	10,370	164,129
	-----	-----	-----
	181,371	21,831	203,202
	=====	=====	=====

### 15. Financial commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Due within:		
Within one year	-	18,438
	=====	=====

### 16. Ultimate parent company and related party transactions

The parent undertaking of the charity is Age Scotland, a company limited by guarantee, registered in Scotland number SC153343. The principal activity of Age Scotland is social care for the elderly and disabled. The annual report of Age Scotland is available for inspection at Companies House. A majority of Care and Repair directors are also directors at Age Scotland. Therefore, the ultimate controlling party is Age Scotland.

There were no related party transactions in the period that require disclosure.