

LOTHIAN VETERANS' CENTRE LIMITED

FINANCIAL STATEMENTS

**FOR THE YEAR
ENDED 31 MARCH 2016**

**Company registration Number SC362801
Charity Number SC040690**

**PETER MULHOLLAND
CHARTERED ACCOUNTANT
MILLBANK
EDDLESTON
NR. PEEBLES
EH45 8QP**

**LOTHIAN VETERANS' CENTRE LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2016**

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LOTHIAN VETERANS' CENTRE LIMITED

The Trustees who are directors for the purposes of the Companies Act, present their report and financial statements of the charity for the year ended 31 March 2016.

Reference and Administrative Information

Charity Name: Lothian Veterans' Centre Limited

Charity Registration Number: SC040690

Company Registration Document SC362801

Registered Office and operational address
11 Eskdail Court
Dalkeith
EH22 1AG

Directors
Huw Bell
Alexander Docker
Paul Hayllor
Bruce Smith (resigned 10/10/2016)
Lee Wilson

Senior Manager
Margaret Miller (resigned 09/06/2016)
Bruce Smith

Independent Accountant
Peter Mulholland
Chartered Accountant
Millbank
Eddleston
EH45 8QP

Bankers
Bank of Scotland
47 High Street
DALKEITH
EH22 1JA

**LOTHIAN VETERANS' CENTRE LIMITED
YEAR ENDED 31 MARCH 2016
TRUSTEES REPORT**

Governing Document

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum & Articles of Association which established the objects and powers of the charitable company and it is governed under the Articles of Association. In the event of the company being wound up members are requested to contribute an amount not exceeding £ 1.

Recruitment and Appointment of Trustees

Until recently potential board members have approached the initial Board and indicated they like to be a member. Each individual was considered on their merit

The Board is the ultimate decision making body of the charity.

Risk Management

The Trustees have examined the major strategic business and operational risks which the charity faces and confirms that the systems in place enable regular reports to be provided so that the necessary steps can be taken to minimise any potential risks.

Organisational Structure

As stated above the committee is the ultimate decision making body, but the day to day running of the organisation is delegated to the Manager.

The manager is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met, this includes supervision of the staff team.

Objectives and Activities

As in previous years' the main focus of the charity's work focused on supporting ex-service personnel and their families providing them with a range of services to deal with difficulties associated with their service and assist their transition into civilian life. In order to effectively achieve this we pursued the following objectives:

To provide help and support to members of the armed forces, former member of the armed forces, members of the Territorial Army who have seen active service, members of the merchant marine (in times of war) and their families.

To alleviate the suffering and distress of those who are serving or have served in the armed forces or merchant marine (in times of war) and their families.

To raise public awareness of issues affecting the lives of veterans.

To provide post conflict information, advice and support, to promote and improve the physical and mental health of those living in the UK suffering from post-combat and/or conflict trauma and stress.

To promote and encourage participation in healthy sport and recreation, leisure and social activities for former serving personnel and merchant marine (in time of war), suffering from combat trauma and stress.

To promote the mental and emotional welfare of persons/families resident in Scotland suffering from bereavement or loss of a son or daughter killed or wounded in military service.

To assist serving, former serving personnel and merchant marine (in time of war) to make the transition to civilian life and provide them with the necessary support and resources to access employment, training or volunteering opportunities.

**LOTHIAN VETERANS' CENTRE LIMITED
YEAR ENDED 31 MARCH 2016
TRUSTEES REPORT**

Objectives and Activities (continued)

To provide help and assistance to serving, former serving personnel and merchant marine (in time of war), when dealing with other agencies, such as pensions, housing, benefits, employment, legal matters (though this list is not extensive) and any other issues which is causing the individual or their family distress. To provide these services the company will endeavour to:

- a) Provide information on a range of subjects.
- b) Operate a drop-in centre(s) offering help and facilities for individuals and groups. The ethos of the centre(s) is that it will have an open door policy and a welcoming and homely environment.
- c) Do all other things conducive to the attainment of the above objectives.

Achievements and Performance

The need for the support and services provided by Lothians Veterans Centre continues to grow, with more than sixty new clients visiting the centre for the first time in the twelve month period to April 2016. These numbers add to the many Veterans whose relationship with LVC has grown over the years to where they consider the centre a home from home and a place to enjoy something akin to the comradeship and community they once enjoyed in the armed forces. Our service users remain predominantly former infantry soldiers, though the other services are also represented. Some have left the forces only recently, some many years previously.

Veterans may visit LVC because of barriers to employment, a housing problem, issues with pensions or benefits, mental health issues or simply for comradeship. Much of the support is provided by an increasingly experienced team, but specialist support is provided by our many partners with the aim always to provide as responsive, personalised and professional support as possible.

Our STEER employability programme continues to be highly effective in helping Veterans with barriers to employment with fifty-six new registrations in the twelve months to end March '16. For the new client registrations, the following outcomes were achieved:

- 3 took part in work placements
- 21 qualifications were obtained as a result of LVC organised training events
- 35 received information of different funding available
- 25 have had assistance with benefits, war disablement pensions or tribunals
- 8 received assistance with debt related issues or had help to secure grants to see them through a period of hardship
- 14 have been given assistance with money management and financial matters
- 15 had job interviews
- 10 entered employment

Key components of the STEER programme have been training events provided in areas relating to the construction and security industries, first aid and health and safety. Close collaboration with our local Job Centre Partners has seen LVC staff providing training to Job Centre staff, allowing them to make informed referrals for new Veteran clients.

Other significant events included a series of sessions held at the centre that supported healthy eating and lifestyles and also a small but successful Veterans dementia group.

Social highlights included a couple of outings to the football courtesy of Hibernian F.C., a curling event that saw several Veterans on the ice for the first time and a fantastic Christmas lunch generously hosted by Dalkeith British Legion. The popularity and benefits of such social gatherings are becoming ever greater in providing the vital comradeship element to our activities.

Housing issues, as for the rest of the population, are an increasing area of concern for many Veterans and LVC has helped around a dozen overcome significant housing problems including threatened homelessness and financial problems.

**LOTHIAN VETERANS' CENTRE LIMITED
YEAR ENDED 31 MARCH 2016
TRUSTEES REPORT**

Evidence is strong that the Lothians Veterans Centre name has quickly become recognised amongst the Veterans community throughout Midlothian and beyond with a number of national organisations approaching LVC to facilitate local partnership working. LVC is increasingly aware of large numbers of Veterans in neighbouring areas who have little or no access to the sort of support and services that we provide and consequently commenced an outreach programme to parts of Edinburgh, Leith and Musselburgh. This will be an important focus for LVC in the coming year and LVC will work closely with other partner organisations to reach other Veterans currently unable to access support.

LVC has been able to deliver such excellent support to the Veterans community only because of the dedication and commitment of our small team of employees, ably supported on occasion by a small band of enthusiastic supporters and volunteers. It is positive to report that after a period of some instability, the team has now been consolidated and will be able to provide a greater scope of services across Midlothian and beyond.

We must never forget to acknowledge the work of the founders of the original charity in 2009 without whose work the service and support provided by Lothians veterans Centre would not be possible.

Future plans

With the second Armed Forces Day Football tournament having been another big success, attention is very much on further development of community links in order to spread the word of our activities and create greater opportunities for Veterans supported by our employability programme and other activities

A major focus for the coming year will be for service users to have a greater say in the running of LVC, with a group being formed to plan, organise and deliver activities.

Financial Review

The charity made a surplus of £ 10,440 this year and now hold an unrestricted balance of funds of £ 32,578.

Principal Funding Sources

The main funding this year has come from grants received with Midlothian Council being the main funder. During the year a grant of £ 12,000 was received from the ABF Soldiers Charitable Trust.

Reserves Policy

The main policy is to hold sufficient funds for three months activity, in the event of withdrawal of key funding. This will give the charity time to evaluate its course of action and also provide for staff redundancies.

**LOTHIAN VETERANS' CENTRE LIMITED
YEAR ENDED 31 MARCH 2016
TRUSTEES REPORT**

Responsibilities of Trustees

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 charity and of the incoming and outgoing of resources for the year then ended. In preparing those financial statements, the trustees are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with Companies Act 1985. The Directors are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee

Members of the Management Committee, who are trustees for the purposes of charitable law, who served during the year, and up to the date of this report are set out on page 1,

The report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005), and taking advantage of the small companies exemption.

Approved by the Management Committee on and signed on their behalf on

by *Paul Hayllor* Paul Hayllor (Interim Chairperson)

18 December 2016

**LOTHIAN VETERANS' CENTRE LIMITED
YEAR TO 31 MARCH 2016**

Independent Examiner's Report to the Trustees of Lothian Veterans' Centre Limited

I report on the accounts of the charity for the year ended 31 March 2016 which are set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

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

Basis of independent examiner's statement

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

Independent examiner's statement

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

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

- > to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - > to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations
- have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Peter Mulholland
Chartered Accountant
Millbank
Eddleston
EH45 8QP



19 December 2016
.....

Date

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LOTHIAN VETERANS' CENTRE LIMITED
Statement of Financial Activities (Including Income and Expenditure Account) for the
year ended 31 March 2016

Incoming Resources	Notes	2016 £	2016 £	2016 £	2015 £
Incoming resources from generated funds		Unrestricted	Restricted	Total	Total
Voluntary Income					
. Donations and fund raising	2	7,887	-	7,887	7,548
Activities for generating funds:					
Sale of Merchandise			-	-	285
Incoming resources from charitable activities					
Grants Received	3	23,000	63,168	86,168	47,118
Total Incoming Resources		<u>30,887</u>	<u>63,168</u>	<u>94,055</u>	<u>54,951</u>
Resources Expended					
Costs of generating funds					
- Costs of Generating Voluntary Income		729		729	291
Charitable Activities	4	18,918	63,168	82,086	77,166
Governance Costs	4	800		800	800
Total Resources Expended		<u>20,447</u>	<u>63,168</u>	<u>83,615</u>	<u>78,257</u>
Net Movement in Funds		10,440	-	10,440	(23,306)
Transfers				-	-
Balance at 1 April 2015		22,138	-	22,138	45,444
Balance at 31 March 2016		<u>32,578</u>	<u>-</u>	<u>32,578</u>	<u>22,138</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 9 to 14 form part of these financial statements

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LOTHIAN VETERANS' CENTRE LIMITED
BALANCE SHEET AT 31 MARCH 2016

	Notes	£	2016 £	£	2015 £
CURRENT ASSETS					
Debtors	7	-		7,227	
Cash at bank and in hand		38,914		18,642	
		<u>38,914</u>		<u>25,869</u>	
CREDITORS: Amounts falling due within one year					
	8	6,336		3,731	
NET CURRENT ASSETS					
			32,578		22,138
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>32,578</u>		<u>22,138</u>
FUNDS					
Unrestricted	9		32,578		22,138
Restricted	9,10		-		-
			<u>32,578</u>		<u>22,138</u>

For the year ending 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director' responsibilities:

- . The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- . The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Small Entities (effective April 2008)

These accounts were approved by the directors on and are signed on their behalf by:-

Director *Paul Hayllor* 18 December 2016

... Paul Hayllor (Interim Chairperson)

The notes on pages 9 to 13 form part of these financial statements

LOTHIAN VETERANS' CENTRE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund Accounting

- > Unrestricted funds are available for use at the discretion of the trustees in furtherance the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the reinstatement of fixed assets at market value.
- > Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal

(c) Incoming Resources

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

- > Voluntary Income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant
- > Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts
- > Investment income is included when receivable
- > Incoming resources from charitable trading activity are accounted for when earned

LOTHIAN VETERANS' CENTRE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

(d) Resources expended

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

- > Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes
- > Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for the beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- > Governance Costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity

(e) Fixed Assets

Fixed Assets are written off in the year of purchase.

The estimated value of Fixed Assets at 31 March 2016 is £ 5,000

2 Donations and Fundraising

	2016 £	2016 £	2016 £	2015 £
	Unrestricted	Restricted	Total	Total
Donations	6,267	-	6,267	6,182
Fundraising and events	1,620	-	1,620	1,366
	<u>7,887</u>	<u>-</u>	<u>7,887</u>	<u>7,548</u>

LOTHIAN VETERANS' CENTRE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3 Incoming resources from Activities to further the Charity's Objects

	2016 £	2016 £	2016 £	2015 £
	Unrestricted	Restricted	Total	Total
ABF Soldiers Charitable Trust	12,000		12,000	15,000
Veterans Scotland			-	7,500
Midlothian Council		35,094	35,094	24,193
Earl Haig	9,500		9,500	-
European Social Fund		28,074	28,074	-
Scottish Comm	1,500		1,500	-
SSAFA			-	425
LloydsTSB Foundation			-	3,000
	<u>23,000</u>	<u>63,168</u>	<u>86,168</u>	<u>50,118</u>

4 Total Resources Expended

	Basis of allocation £	2016 Total £	2015 Total £
Costs directly allocated to activities			
Staff Salaries	direct	45,563	39,671
Transport and Travel	direct	582	588
Professional Fees	direct	1,400	1,340
Charitable Activities	direct	8,735	3,070
Support Costs allocated to activities			
Premises	floor area	15,076	15,960
General Office and finance staff	staff time	6,000	6,000
Advertising/Marketing	direct	90	1,777
Insurance	direct	2,059	2,032
Communications	usage	2,375	3,405
General Costs	usage	1,006	704
		<u>82,886</u>	<u>74,547</u>

LOTHIAN VETERANS' CENTRE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

5	Staff Salaries and Numbers	2016	2015
		£	£
	Staff Costs were as follows:		
	Salaries and wages	41,648	35,179
	Paye & NI	9,915	10,492
	Total	<u>51,563</u>	<u>45,671</u>

No employee received emoluments of more than £ 60,000

The average number of employees during the year, calculated on the basis of full time equivalents was as follows:-

	2016	2015
Manager	1	1
Project Workers	1	1
	<u>2</u>	<u>3</u>

The charity does not operate any pension scheme

No trustee received any emoluments during the year.

6 Taxation

As a charity , the company The Lothian Veterans Centre, is exempt from tax falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

7	Debtors	2016	2015
		£	£
	Grant European Social Fund	-	7,227

8	Creditors	2016	2015
		£	£
	PAYE	4,736	2,931
	Accruals	800	800
		<u>5,536</u>	<u>3,731</u>

9 Analysis of Net Assets Between Funds

	General	Restricted	Total
	Funds	Funds	Funds
	£	£	£
Current Assets	38,914	-	38,914
Current (Liabilities)	(6,336)	-	(6,336)
	<u>32,578</u>	<u>-</u>	<u>32,578</u>

LOTHIAN VETERANS' CENTRE LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

10 Movement in Restricted Funds

	At 1 April 2015	Grants Received	Used	At 31 March 2016
Midlothian Council	-	35,094	35,094	-
European Social Fund	-	28,074	28,074	-
	<u>-</u>	<u>63,168</u>	<u>63,168</u>	<u>-</u>

11 Company Limited by Guarantee

The charity is limited by guarantee and has no share capital.

12 Capital Commitments

There are no Capital Commitments (2015 - £ nil).

13 Contingent Liabilities

There are no Contingent Liabilities (2015 - £ nil).

**LOTHIAN VETERANS' CENTRE LIMITED
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

INCOME	Total 2016 £	Total 2015 £
Grants Received	86,168	47,118
Fund raising and events	1,620	1,366
Merchandise Sales	-	285
Donations	6,267	6,182
TOTAL INCOME	<u>94,055</u>	<u>54,951</u>
EXPENDITURE		
Salaries	51,563	45,671
Rent and Rates	14,291	15,960
Insurance	2,059	2,032
Telephone	1,062	1,011
Stationery and Postage	1,313	2,394
Repairs and Renewals	785	137
Advertising/Marketing	90	1,777
Outdoor Activities	1,085	-
Counselling	3,462	885
Complimentary Therapies	-	-
Computer Equipment	-	3,419
Staff Travel	582	483
Participants Training	3,131	-
Participants Travel	1,057	105
Subscriptions and Publications	535	242
Sundry Expenses	471	325
Events & Fundraising costs	729	291
Professional and Accountants Fees	1,400	1,340
Consultancy	-	2,185
TOTAL EXPENDITURE	<u>83,615</u>	<u>78,257</u>
SURPLUS/(DEFICIT) FOR YEAR	<u>10,440</u>	<u>(23,306)</u>