

Scottish Charity No. SC027609
Scottish Company Registration No. SC219244

Oxgangs Care
(A company limited by guarantee)

Directors' & Trustees' Report and Financial Statements
Year ended 31 March 2018



Innes & Partners
Chartered Certified Accountants

Oxgangs Care

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Oxgangs Care

Report of the Directors for the year ended 31 March 2018

The Directors (who are also Trustees for the purposes of charity law) are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2018.

Principal and registered office

12 Firrhill Neuk
Edinburgh
EH13 9FF

Bankers

Bank of Scotland
426 Morningside Road
Edinburgh
EH10 5QF

Status of Charity and Governing Document

Oxgangs Care (OC) was registered as a charity on 8 September 1992 and incorporated on 4 May 2001 as a charitable company limited by guarantee. The Company was established under a Memorandum of Association which established its objects and powers as a charitable company and is governed under its Articles of Association. It is both a registered Company (No. SC219244) and a Scottish Charity (No. SC027609).

Directors

The active Directors and Company representatives during 2018 were:

Mr E Barry	Chair until February 2017 / Treasurer to present
Mrs E Aitken	Vice Chair
Ms L Maguire	
Ms C Scarth	Chair from February 2017 to present

Senior managers

Mrs S Mutch	General Manager
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Ms S Christie separate entity)	Sure Start Manager (Until November 2017 when Sure Start became a
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Recruitment and appointment of the Board of Directors

The Directors of the Company are also Charity Trustees for the purposes of charity law and, under the Company's Articles, are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association, the members of the Board are elected to serve for a period of one year after which they must be re-elected at the next Annual General Meeting.

The charity's work focuses upon vulnerable people. The Board of Directors seeks to ensure that the needs of service users are appropriately reflected through the diversity of the Trustee body. Oxgangs Care has been through a period of considerable change. The current Board recognises an ongoing need to prioritise the recruitment of suitable Board members and is developing strategies to achieve this.

Directors' induction and training

New directors are invited and encouraged to attend a series of short training sessions to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Oxgangs Care manager and Edinburgh Voluntary Organisations' Council (EVOC) and cover the following:

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Report of the Directors for the year ended 31 March 2018

Directors' induction and training (continued)

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

A Directors' handbook has also been prepared, drawing information from the Office of the Scottish Charity Regulator and Companies House, as a follow up to these sessions. This is distributed to all new Trustees along with the Memorandum and Articles and the latest financial statements.

Day-to-day management

A system of delegation is in place and day-to-day responsibility for the provision of the services rest with the general manager. The general manager is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The service manager/coordinators have responsibility for the day-to-day operational management of their respective services, individual supervision of the staff team, and ensuring that their service teams continue to develop their skills and working practices in line with good practice.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the company's memorandum of association are to promote the welfare of people who have special care needs, including those who are disabled or frail (physically or mentally), and their carers within the neighbourhoods of Braids, Buckstone, Caiystane, Colinton, Colinton Mains, Craiglockhart, Fairmilehead, Firrhill, Morningside, Oxgangs, Polwarth and Swanston.

The aims of our charity are to:

- Identify unmet care needs in the community
- Design and deliver cost-effective, community-based support services in response to identified unmet needs and in partnership with statutory and other voluntary agencies working in the area
- Involve members of the local community in the planning, delivery and management of OC services
- Develop the organisation's capacity to meet its corporate objectives and operational aims and objectives

Our aims fully reflect the purpose that the charity was set up to further.

Ensuring that our work delivers our aims

Our manager oversees the ongoing monitoring and evaluation of the service. The challenge over the coming year will be to produce a longer term strategic plan to take the organisation forward.

The focus of our work

Our main objectives for the year continued to be supporting older people to remain in their local community and, until November 2017, supporting 0-3 year olds and their carers in their early years' development. The strategies we have used to meet these objectives included:

- Providing centre-based day care for older people as an alternative to admission to long-term residential care
- Providing social groups and lunch clubs for older people who are recovering from mental ill-health
- Supporting a volunteer befriending service for older people who are at risk of loneliness and social isolation
- Providing a support group for people with dementia

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Report of the Directors for the year ended 31 March 2018

The focus of our work (continued)

- Providing a centre-based playgroup for 0-3 year olds and support for their carers (until November 2017)
- Providing a domiciliary service supporting family play (until November 2017)

Achievements and performance

Since the recruitment of Sheila Mutch as manager in January 2017 the services for older people have seen significant progress. Sheila's expertise lies in the management and delivery of registered services for older people and she has brought much needed professionalism and stability to Oxgangs Care and this has benefited both the staff and the users. A follow up review of the service by the Inspectorate saw improvement in our grades and we hope to build on this.

In September 2017 Oxgangs Care expanded its lease of Firrhill Neuk and now rents the whole premises. This has allowed for the consolidation of most of the older people's services under one roof. The move also creates opportunities to expand and develop the services we offer.

Another major development has been a move from the way we are funded by the City of Edinburgh Council from an annual grant to a contract. This has given Oxgangs Care greater financial stability whilst creating new challenges and opportunities in terms of service development.

In November 2017 Oxgangs Sure Start Project became a separately constituted organisation and is no longer part of Oxgangs Care. This move has considerable advantages to the future development of both organisations. Sue Christie's vision for the service and the commitment and hard work of the staff and everyone involved will no doubt ensure continuing success of Oxgangs Sure Start Project with all the tangible benefits it brings to pre-school children and their parents.

Summary and future plans

In summary, Oxgangs Care has achieved a degree of stability which it has not enjoyed for several years.

However, in order to maintain this and protect our future operations the following areas are high priority:

- We need to increase the membership and capacity of the Board of Directors
- We need to develop a Strategic plan for Oxgangs Care for 2019-2022
- Finally- we need to secure a further contract with the City of Edinburgh Council to provide services within the designated areas.

Financial review

Principal funding sources

Aside from the value contributed by the freely given time of our volunteers and the goodwill of the local community, the principal funding sources for the charity are currently by way of grant and contract income from the City of Edinburgh Council. The charity recognises that, as a result of increasing constraints on local authority expenditure, its continued dependence on this source represents a significant financial risk and that it should seek to minimise this risk by seeking funding from a much broader group of agencies and by using its assets to generate an income stream. This represents a challenge that the charity will need to address in coming years.

Results for the year

The financial statements for the year are set out on pages 7 to 12. The Statement of Financial Activities on page 7 reflects net incoming resources of £2,782 (2017: net expenditure of £40,395).

Oxgangs Care

Report of the Directors for the year ended 31 March 2018

Financial review (continued)

Reserves

The Company held unrestricted funds amounting to £35,017 (2017: £25,751) and restricted funds of £55,875 (2017: £62,359) at the year end. The Trustees aim to have reserves to cover three months expenditure. The reserves are needed to meet the working capital requirements of the charity and the Board of Directors are confident that at this level it would be able to continue the current activities of the charity in the event of a significant drop in funding. The present level of reserves available to the charity of £35,017 (2017: £25,751) falls within this target level. Although the strategy is to continue to build reserves through achieving operating surpluses, as a result of increasing constraints on local authority expenditure, it is likely that grant income from this source will decline in coming years. At the same time, changes in workplace pension requirements will significantly increase the charity's operating costs. Increasing the level of reserve funds represents a continuing challenge for the Board.

Statement on Risk

The Board is currently undertaking its latest review of the major risks to which the charity is exposed. Where appropriate, systems or procedures will be added to those already in place to mitigate the risks the charity faces. Significant external risks to funding will be addressed in the strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to OC. The continuing implementation of the National Care Standards ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are monitored on an ongoing basis by the Manager in line with the requirements of the Care Inspectorate and Scottish Social Services Council.

Statement of Directors' Responsibilities

The Directors (who are also Trustees for the purposes of charity law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Directors 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for keeping adequate 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 Companies Act 2006, 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Director's Report has been prepared having taken advantage of the small companies' exemption in the Companies Act 2006.

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Report of the Directors for the year ended 31 March 2018

Approved by the Board on 17 December 2018 and signed on its behalf by:

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

Carol Scarth
Director and Chairperson

Oxgangs Care

Report of the Independent Examiner for the year ended 31 March 2018

I report on the accounts of the company for the year ended 31 March 2018 which are set out on pages 7 to 12.

Respective responsibilities of Trustees and examiner

The Charity's Trustees (who are also the Directors for the purposes of company law) 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 (as amended). The Charity's Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 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 2006 Accounts Regulations (as amended). An examination includes a review of the accounting records kept by the charity 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 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 (as amended), and
 - To prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended)

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.



Jonathan N Innes FCCA
Managing Director

Innes & Partners Limited
Chartered Certified Accountants

Innes House
18 Shairps Business Park
Houstoun Road
Livingston
EH54 5FD

Date: 19 December 2018

Oxgangs Care

Statement of Financial Activities (incorporating Income and Expenditure Account)

For the year ended 31 March 2018

	Notes	General fund £	Restricted funds £	2018 Total £	2017 Total £
Income					
Donations and legacies	2	-	-	-	809
Charitable activities	3	9,266	2,080	11,346	8,183
Grants and contracts	4	-	280,307	280,307	151,875
Total income		9,266	282,387	291,653	160,867
Expenditure					
Charitable activities	5	-	288,871	288,871	201,262
Total expenditure		-	288,871	288,871	201,262
Net (expenditure) income before transfers		9,266	(6,484)	2,782	(40,395)
Transfers	11,12	-	-	-	-
Net movement in funds after transfers		9,266	(6,484)	2,782	(40,395)
Total funds brought forward		25,751	62,359	88,110	128,505
Total funds carried forward	11,12	35,017	55,875	90,892	88,110
Represented by:					
Unrestricted fund	11				
General		35,017	-	35,017	25,751
Restricted funds	12				
Oxgangs Sure Start project		-	-	-	-
CEC funding Oxgangs Pentland carers project befriending service		-	-	-	4,084
Oxgangs Care day services		-	55,875	55,875	58,275
Total funds		35,017	55,875	90,892	88,110

The notes on pages 9 to 12 form part of these financial statements.

Balance sheet

As at 31 March 2018

	Notes	General fund £	Restricted funds £	2018 Total £	2017 Total £
Current assets					
Cash at bank and in hand		35,017	59,399	94,416	91,003
Total current assets		35,017	59,399	94,416	91,003
Liabilities					
Creditors: falling due within one year	10	-	(3,524)	(3,524)	(2,893)
Net current assets		35,017	55,875	90,892	88,110
Total assets less current liabilities		35,017	55,875	90,892	88,110
Total net assets		35,017	55,875	90,892	88,110
The funds of the Charity					
General fund	11	35,017	-	35,017	25,751
Restricted funds	12	-	55,875	55,875	62,359
Total charity funds		35,017	55,875	90,892	88,110

The financial statements have been prepared in accordance with the Financial Reporting Standard FRS 102 and with the provisions applicable to companies subject to the small companies' regime.

For the year ending 31 March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' 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 preparation of the accounts.

The financial statements were approved by the Board on 17 December 2018 and signed on their behalf by:



Carol Scarth (Chairperson/Director)

The notes on pages 9 to 12 form part of these financial statements.

Oxgangs Care

Notes to the financial statements

For the year ended 31 March 2018

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with FRS 102, the Statement of Recommended Practice - Accounting & Reporting by Charities SORP 2015 (FRS 102), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The accounts are prepared on a going concern basis as the Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The Charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

Basis of financial statements

The financial statements have been prepared on an accruals basis.

Income

All income including grants and donations are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of income can be measured with sufficient reliability.

Debtors are valued at cost at the year-end and adjusted for any amounts considered to be irrecoverable.

Expenditure

All expenses are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. They are accounted for on an accruals basis and include any irrecoverable VAT. They are allocated to a particular activity where the cost relates directly to that activity.

Creditors are valued at cost at the year-end and split between amounts due in less than one year and amounts due in more than one year.

Operating leases

Operating lease costs are charged against profits on a straight line basis over the period of the lease.

Statement of Financial Activities

For the purpose of the Statement of Financial Activities as shown on page 7, funds are defined as follows:

Unrestricted funds comprise income received for the objects of the charity without further specified purpose and are available as general funds which can be used for purposes in agreement with its charitable objectives.

Restricted funds comprise income which has been received for the objects of the charity and specified for a restricted purpose within these objects by the donor.

2. Donations and legacies

	General fund	Restricted funds	2018 Total	2017 Total
	£	£	£	£
Donations	-	-	-	809
	-	-	-	809

Income from donations and legacies was nil (2017: £809) of which nil was unrestricted (2017: £809) and nil was restricted (2017: nil).

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Notes to the financial statements

For the year ended 31 March 2018

3. Income - charitable activities	General fund £	Restricted funds £	2018 Total £	2017 Total £
Client contributions	9,266	2,080	11,346	6,537
Other income	-	-	-	1,646
	9,266	2,080	11,346	8,183

Income from charitable activities was £11,346 (2017: £8,183) of which £9,266 was unrestricted (2017: £4,568) and £2,080 was restricted (2017: £3,615).

4. Grants and contracts	General fund £	Restricted funds £	2018 Total £	2017 Total £
Core funding grants	-	280,307	280,307	151,875
Total grant income	-	280,307	280,307	151,875

Income from grants was £280,307 (2017: £151,875) of which nil was unrestricted (2017: nil) and £280,307 was restricted (2017: £151,875).

5. Expenditure - charitable activities	General fund £	Restricted funds £	2018 Total £	2017 Total £
Gross salaries (note 6)	-	160,365	160,365	156,024
Rent	-	17,600	17,600	14,648
Motor and travel costs	-	10,434	10,434	8,983
Service provisions and activities	-	8,233	8,233	5,108
Professional fees	-	5,351	5,351	4,215
Postage, stationery and telephone	-	3,665	3,665	2,679
Recruitment	-	2,686	2,686	1,908
Registration and subscriptions	-	2,487	2,487	1,891
Insurance	-	1,697	1,697	1,637
Training and conference costs	-	745	745	555
Staff and volunteer expenses	-	838	838	342
Independent examination	-	2,400	2,400	2,400
Miscellaneous expenditure	-	1,201	1,201	872
Repairs and maintenance	-	2,698	2,698	-
Transfer of funds to Sure Start project new charity	-	67,486	67,486	-
Activity materials	-	985	985	-
	-	288,871	288,871	201,262

Support costs have not been separately identified as the directors consider that there is only one charitable activity to which they all relate.

Expenditure on charitable activities was £288,871 (2017: £201,262) of which nil was unrestricted (2017: £34,983) and £288,871 was restricted (2017: £166,279).

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Notes to the financial statements

For the year ended 31 March 2018

6. Staff costs and numbers	2018	2017
	£	£
Gross salaries	153,571	152,072
Employer's NI	6,248	3,612
Pension contributions	546	340
	160,365	156,024

The average number of employees during the year was 13 (2017: 16). There are no employees receiving more than £60,000.

7. Liability of Members

The company is limited by guarantee, with the liability of each member limited to £1. There were 4 (2017: 4) members at 31 March 2018.

8. Transactions with Directors and related parties

No Director or related party received any remuneration or reimbursement of expenses from the Charity (2017: nil).

9. Taxation

No liability to UK Corporation Tax arises in the light of the company's charitable status.

10. Creditors: amounts falling due within one year	General fund	Restricted funds	2018 Total	2017 Total
	£	£	£	£
Social security and other taxes	-	971	971	-
Other creditors	-	2,553	2,553	2,893
	-	3,524	3,524	2,893

Oxgangs Care

Notes to the financial statements

For the year ended 31 March 2018

11. Unrestricted funds	Balance at 01.04.2017	Income	Expenditure	Transfers	Balance at 31.03.2018
	£	£	£	£	£
General fund	25,751	9,266	-	-	35,017
Total unrestricted funds	25,751	9,266	-	-	35,017

Explanation of funds

The General fund represents all income and expenditure relating to the primary focus activities of the charitable company, other than those for which funding is restricted.

12. Restricted funds	Balance at 01.04.2017	Income	Expenditure	Transfers	Balance at 31.03.2018
	£	£	£	£	£
Oxgangs Sure Start project	-	146,112	(142,981)	(3,131)	-
CEC funding Oxgangs Pentland carers project befriending service	4,084	-	-	(4,084)	-
Oxgangs Care day services	58,275	136,275	(145,890)	7,215	55,875
Total restricted funds	62,359	282,387	(288,871)	-	55,875

Explanation of funds

The Oxgangs Sure Start Project fund represents all income and expenditure relating to day care for children aged 0 to 3. During the year the Sure Start Project became an individual organisation and all funds were transferred over to them.

The CEC Funding Oxgangs Pentland Carers Project Befriending Service fund represents all income and expenditure relating to the befriending service for older people.

The Oxgangs Care Day Care Services fund represents all income and expenditure relating to the centre based day care for frail older people. The structure of the Day Care services changed this year and all projects are now managed under the umbrella of "Day Care Services" as prescribed under the new contract structure of Edinburgh City Council.