

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

COMPANY NUMBER: SC253043

CHARITY NUMBER: SC036500

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

CONTENTS

	Page
Reference and Administrative Details	1
Directors' Report	2 - 16
Independent Auditor's Report	17 - 19
Income and Expenditure Account	20
Statement of Financial Activities	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24 - 34

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

Reference and Administrative details

Charity Number
SC036500

Company Number
SC253043

Registered Office
3 Mansfield Place
Edinburgh
EH3 6NB

Directors and Trustees

Directors

Mr Ian Arnot (Chair)
Ms Annabel Mowat (Vice Chair)
Mr George Walker (Treasurer)
Dr Alison Richardson
The Rt Rev Dr John Armes
Ms Ann Park
Mr Adam Knight
Mr Lee Thorburn
Mr Jimmy Quinn
Dr Janet Sandercock

Secretary

Mr Grant Sugden

Chief Executive

Mr Grant Sugden

Deputy Chief Executive

Ms Martha Baillie (retired 12 January 2018)

Head of Income Generation

Ms Rachel Smith (appointed 26 September 2017)

Patrons:

Sir Tom Farmer CBE KCSG
Mr Christopher Bell
Mr Christopher Richardson
Ms Sheena MacDonald
Mr Alexander McCall Smith
Mr Anthony Alderson
Mr Bob Chilcott

Senior managers

Senior Manager Finance - Mr Graham Cross
Senior Manager Residential - Mrs Elizabeth Marr
Senior Manager Glasgow - Ms Claire Kofman
Senior Manager Highland - Ms Rachel Hughes
Senior Manager Lothian - Mr David Cameron
Fundraising Manager - Mrs Karen Docwra (until
25 September 2017)

Accountants

Scott Moncrieff
Exchange Place 3
Semple Street
Edinburgh EH3 8BL

Auditors

Chiene + Tait LLP
61 Dublin Street
Edinburgh
EH3 6NL

Bankers

Bank of Scotland
20-22 Shandwick Place
Edinburgh
EH2 4RN

Solicitors

Law at Work
19 Thistle Street
Edinburgh
EH2 1DF

Royal Bank of Scotland
30 Nicholson Street
Edinburgh
EH8 9DL

Investment managers

Brewin Dolphin
Sixth Floor, Atria One
144 Morrison Street
Edinburgh
EH3 8BR

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The Directors are pleased to present their annual Directors' report, together with the financial statements of the charity for the year ended 31 March 2018, which are also prepared to meet the requirements for a Directors' report and accounts for the purposes of the Companies Act 2006.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Chair's report

Over the years, we have often characterised the history of Waverley Care by its ability to adapt to the evolving understanding of HIV and Hepatitis C, and the changing needs of our service users.

The past 12 months has been no exception, bringing a number of significant developments that will help to shape our work in the years ahead.

In relation to HIV, two breakthroughs stand out – the decision to make PrEP available on the NHS and the increasing influence of the U=U movement. Both feel like watershed moments, right up there with the introduction of anti-retrovirals in the mid-90s, with the potential to have a huge impact on the fight against HIV in Scotland.

Likewise, with Hepatitis C, the increasing momentum of the elimination agenda is hugely encouraging. Scotland has long laid claim to being a world leader in its response to Hepatitis C, but the elimination agenda has seen renewed energy and focus among campaigners and policy makers.

These developments, allied to the availability of effective treatments that can manage HIV and cure Hepatitis C, make it an exciting time to be involved in this work. However, while progress unfolds at a strategic and service delivery level, we know that the need for our services remains as great as ever.

HIV and Hepatitis C continue to affect marginalised communities, often driven by ignorance of what it means to live with these conditions. Through our work we continue to challenge the health inequalities that affect at-risk populations in order to reduce new infections, get people tested, provide support and challenge stigma.

Our work over the past 12 months has continued to focus on these four outcomes – building upon previous learning to expand existing services and develop new ones. The highlights of this work are summarised in the following section.

None of this work would be possible without the generosity of our funders and supporters. Their contributions help us make such a difference to people living with or affected by blood borne viruses across Scotland and we are incredibly grateful for their continued support.

Ian Arnot, Chair

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

1. Our purposes and activities

Waverley Care is Scotland's HIV and Hepatitis C charity. Across Scotland, we are reducing new HIV and Hepatitis C infections, encouraging people to get tested and providing much needed support to people living with, or affected by these conditions.

Through our work, we are also challenging HIV and Hepatitis C related stigma, tackling health inequalities and promoting good sexual health.

Our vision is of a society free from HIV and Hepatitis C stigma, where people know their status, and where individuals and communities living with or affected by these conditions enjoy good physical, mental and emotional health.

Our work is closely aligned with the Scottish Government's Sexual Health and Blood Borne Virus (BBV) Framework and all our services are focused on delivering the following key outcomes:

- Reducing new infections
- Getting people diagnosed
- Providing support
- Challenging stigma and discrimination

Reducing new infections

HIV and Hepatitis C continue to disproportionately affect key populations within Scotland, namely gay and bisexual men, African communities and people who inject drugs. Many factors contribute to this situation including wide ranging health and social inequalities faced by these populations.

We work closely with these populations to raise awareness of HIV and Hepatitis C, providing practical advice and information on healthier lifestyles. We also continue to support efforts to promote a range of prevention options, including condom use, Pre-Exposure Prophylaxis (PrEP) and Treatment as Prevention (TasP).

We invest time in building relationships with the communities we work with, both to understand the particular challenges and inequalities they face, and to ensure we involve them in developing effective solutions.

Getting people diagnosed

In Scotland today, there are an estimated 34,500 people living with Hepatitis C and 6,238 living with HIV. However, an estimated 15,500 of those with Hepatitis C, and 811 with HIV are undiagnosed. Without diagnosis and treatment, these individuals can become seriously ill and risk unknowingly passing their infection on to others.

Across Scotland, we deliver a range of community based testing services to people who are most at risk of these conditions. We also provide clear information and advice on the wide range of testing options available to help people find the right option for them.

We work to challenge and reduce the barriers that prevent people from accessing regular testing, helping them to know their HIV and Hepatitis C status and take control of their own health.

Providing support

Waverley Care works to ensure that individuals living with blood borne viruses have access to high quality care that improves their physical, emotional and sexual health. We provide services that enable individuals to come to terms with a new diagnosis, to manage their condition and benefit from available treatment. We strive to support individuals with blood borne viruses to enjoy healthy relationships and to access education, volunteering, employment and leisure activities.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Challenging stigma

Stigma and discrimination continue to be a daily reality for people living with HIV and Hepatitis C. Stigma reinforces the feelings of isolation and depression felt by many people living with these conditions and undermines efforts to reduce new infections by discouraging people from getting tested.

To challenge this, we provide information to everyone from healthcare professionals and employers to service providers and students to highlight the specific needs of people living with HIV or Hepatitis C. We also aim to raise awareness amongst the general public through the provision of accurate information about living with these conditions today.

We also work with faith leaders, community groups and peer educators to bring discussions about HIV and Hepatitis C to the heart of communities, strengthening their capacity to challenge stigma.

In order to achieve these outcomes, we provide a range of services across Scotland including:

Community based testing:

To reduce new HIV and Hepatitis C infections, we provide a range of community based testing services. These include:

- Dried Blood Spot testing to communities at greatest risk of HIV or Hepatitis C
- Rapid HIV testing clinics in geographically isolated locations in Highland and Argyll & Bute
- Community based testing clinics for Africans living in Greater Glasgow and Clyde – venues include African community centres, churches and businesses
- SX, our gay and bisexual men's service in Lothian is a regular venue for M-Test, a weekly clinic delivered by NHS Lothian's ROAM Outreach Team, offering full sexual health screening, including HIV testing
- CheckPoint – a weekly HIV and Hepatitis testing service in Lothian for anyone who wants to access testing
- Our African Health Project has piloted an HIV self-testing kit pilot to assess the acceptability of this technology for local communities

Regardless of the result of a test, we are able to provide information, advice and support on next steps.

General support services for people living with, or affected by HIV or Hepatitis C:

From our bases across the country, we offer a broad range of support to individuals, assisting them with a range of issues to improve their physical, mental and emotional health and wellbeing, including:

- Coping with a new diagnosis and managing treatment
- Supporting healthier lifestyle choices
- Accessing one-to-one, group and peer support, and meeting other people who are living with the conditions
- Supporting relationships with family and friends – disclosing HIV/Hepatitis C status
- Engaging with support services – eg housing, education, employment and benefits
- Thinking about faith and spiritual issues

Specialist and targeted services

In addition to our main services, we provide a number of dedicated services for vulnerable groups, including:

- **African Health Project**

Many Africans living with HIV in Scotland face additional challenges relating to issues such as immigration, poverty, culture or isolation. To ensure Africans living with HIV in Scotland are able to manage the impact HIV and these other issues can have on their lives, we provide distinct services to this community in Greater Glasgow and Clyde, Lanarkshire, Lothian and Forth Valley.

Specialist and targeted services (continued)

In addition, our national Health in Faith programme has developed relationships with African churches across Scotland to raise awareness of HIV testing and treatment, ensuring that good conversations about HIV are at the heart of the African community.

MY Voice, a research project on Female Genital Mutilation (FGM), is working with communities in Scotland affected by FGM. The project empowers communities to challenge and prevent FGM while supporting the development of culturally sensitive support services for those affected.

- ***Children, Young People and Families***

Children and young people living with, or affected by HIV or Hepatitis C have very distinct support needs. Our national Children and Families Project provides specific individual, group and family services to support families to manage the impact that a blood borne virus can have. Our Poz Youth service supports young people living with HIV across Scotland providing opportunities to connect with others in a similar situation, while enabling them to make a smooth transition from child to adult health services.

- ***SX***

SX is a Lothian based service, focused on improving the sexual health and wellbeing of gay and bisexual men, and all men who have sex with men. The service is community focused, and provides a range of interventions supporting men to overcome a range of health inequalities experienced by this population. Our work with gay and bisexual men involves us providing information about sexual health and HIV through a range of means including through outreach, in gay venues, through volunteers and through online apps.

- ***Residential support services***

Milestone, our Residential Support Centre in Edinburgh, is a place where people living with HIV or Hepatitis C can focus on improving their physical and emotional health at times when they are struggling to manage. Our staff are there to support residents to manage their condition well – whether it's keeping up-to-date with treatment, coping with side effects or accessing appointments. We also offer the opportunity for peer support where residents can share their experiences in a supportive environment. The service offers step up and step down care and treatment support to reduce pressure on NHS services.

Training

As well as direct service provision, Waverley Care also provides information and education to a range of audiences, including healthcare students and professionals. For example, our online educational resource, Caring Conversations, aims to raise awareness of HIV and person centred care amongst healthcare professionals across Scotland.

In November 2017, we launched Wave, our new sexual health promotion resource for young people across Highland and, by the end of the year, we had delivered sexual health education workshops to 691 young people across 10 secondary schools. The resources were designed in conjunction with young people and feedback has been positive, with over 90% of young people stating that they have learnt something new from the training offered.

Our volunteers

Over 100 volunteers regularly assist our services in a range of roles including acting as befrienders; receptionists; peer educators or through tending our garden at Waverley Care Milestone. These volunteers make a huge difference to the organisation enabling us to provide a wider range of services to support the community.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

2. Achievements and performance

We are a national organisation and over the last year we have provided services in the following NHS Board areas – Fife, Forth Valley, Greater Glasgow and Clyde, Highland, Lanarkshire and Lothian. We operate from four Waverley Care bases – our Edinburgh-based Residential Support Centre Waverley Care Milestone, our Head Office in Edinburgh and our offices in Glasgow and Inverness. We are also fortunate to have staff based with partner agencies in Fife and Forth Valley.

The last year has seen the organisation make significant progress in delivering our four key outcomes – reducing new HIV and Hepatitis C infections, getting people diagnosed, providing support and challenging stigma - and in this section we highlight some of the key achievements against these outcomes.

Reducing new infections

Increasingly our work is focusing on developing areas of HIV prevention, including Treatment as Prevention (TasP) and Pre-Exposure Prophylaxis (PrEP).

TasP has been talked about within the HIV community for a number of years, but has risen to prominence recently with the success of the Undetectable=Untransmittable (U=U) campaign. The U=U campaign seeks to convey the message that there is now clear scientific consensus that a person living with HIV, on treatment and with an undetectable viral load cannot pass HIV on to their sexual partners.

In April last year, the decision was taken to make PrEP available on the NHS in Scotland. PrEP involves a person taking a daily pill to protect themselves from HIV infection. It is currently available to those at greatest risk of HIV and, since July 2017, around 1,300 people have been able to access it.

Allied with condom use and TasP, PrEP adds to the prevention options available to people, putting them more in control of their HIV status.

PrEP provides opportunities to reinvigorate how people at higher risk of HIV are engaging with testing and prevention opportunities, and it is a hugely important opportunity to make a real reduction in the number of new HIV transmissions.

SX was at the forefront of community engagement with gay and bisexual men around the issue of PrEP, and will continue to inform the community, as well as influence the roll out and implementation of this new prevention tool to those who most need it.

In January 2018, SX established an alcohol harm project to begin addressing the disproportionate impact of alcohol use on gay and bisexual men's health, and particularly their sexual health.

Over the last year, SX:

- individually supported over 300 men to improve their sexual health and wellbeing through face-to-face support and our presence on online dating apps
- distributed 127,400 condoms and 62,000 sachets of lubricant

In Highland, we have continued to provide prevention services to men who have sex with men through outreach sessions, provision of information and access to free condoms. Over the last year, for example, we distributed 41,642 condoms to individuals and communities across the health board area.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The organisation has continued to work closely with Scotland's African communities raising their awareness of HIV and, importantly, their capacity to address the specific challenges and health inequalities which contribute to HIV infections amongst this community. This work included:

- working closely with African businesses and community groups in Forth Valley, Greater Glasgow and Clyde, Lanarkshire and Lothian to ensure local African communities were equipped to address HIV;
- reaching over 7,900 members of Scotland's African community through workshops and awareness raising events with a multitude of organisations including churches, country associations, refugee associations, women's groups and African businesses;
- distributing over 26,000 condoms to African individuals and venues;
- working with African churches and mosques in Scotland's central belt through our national Health in Faith Agenda, enabling a dialogue around HIV to be developed and delivered to the heart of communities;
- using our Voice of Hope Choir to bring African individuals and church groups together to facilitate a dialogue around HIV.

In the past year we have built on our experience of peer-to-peer research, gained through the My Voice FGM programme, to engage more effectively with populations at risk of HIV or Hepatitis C. Through this approach, we have recruited peer volunteers from African communities and among gay and bisexual men, to interview their peers and identify issues of concern. By taking a community engagement approach, with an emphasis on positive prevention, we support communities to take ownership of HIV and Hepatitis C prevention.

Getting people diagnosed

In 2017-18, we increased our capacity to provide community-based testing to ensure easily available testing for people who prefer not to use clinical services offered by the NHS.

In January 2018, we launched CheckPoint, a new testing service in Lothian offering testing for HIV, Hepatitis B and C to anyone who thinks they may have been at risk.

We have also piloted the acceptability of HIV self-testing kits amongst Scotland's African community and we are delighted that a number of NHS boards have agreed to support the provision of self-testing by Waverley Care in the coming year.

We also continued to build on our existing testing provision:

- our Rapid HIV testing services across Highland and Argyll & Bute, which provided free, confidential tests to 76 men who have sex with men, with results returned in just 20 minutes;
- SX, in partnership with NHS Lothian's ROAM team, provided 721 full sexual health checks, and HIV tests;
- our Hepatitis C team in Greater Glasgow and Clyde supported 148 at-risk individuals to access testing;
- our African Health Project has delivered over 266 HIV tests for members of Scotland's African communities, including the provision of testing in African churches and community venues.

Providing support

In November 2017, we officially launched our Chinese Health Project, which works with Chinese communities in Lanarkshire to improve their health and wellbeing. Our work is particularly focused on raising awareness of Hepatitis B testing, treatment and vaccination, but we also work to widen access to broader health services.

We do this by working with local community groups, faith communities and businesses, offering workshops covering Hepatitis B, other blood borne viruses like HIV, and sexual health, and encouraging people to think about getting tested. By taking a community approach, similar to that adopted through the African Health Project, we hope to overcome the cultural and language barriers that often prevent people from accessing support to improve their health and wellbeing.

There are an estimated 9,000 people living with Hepatitis B in Scotland with Chinese communities disproportionately affected. The scale of this impact in Scotland is not known, but research in England found that Chinese populations were up to seven times more likely to be affected by Hepatitis B than the general population. The condition can cause serious liver damage and, although it cannot be cured, it can be managed with treatment and a vaccine is available to people at risk.

Building on our track record of delivering community Hepatitis C services in Greater Glasgow and Clyde, we were delighted to extend our Prison Link project at HMP Barlinnie to include prisoners diagnosed with Hepatitis C at neighbouring HMP Low Moss. This exciting new initiative works closely with healthcare staff in the prison to identify prisoners diagnosed with Hepatitis C who are approaching liberation. Through specific support pre and post release, the project supported 57 men to achieve a smooth transition from prison to community and into Hepatitis C treatment on release.

We were delighted to meet with the Minister for Public Health and Sport at Barlinnie in December 2017 to mark a year of the Prison Link project's operation. It has also been a privilege to share the experience and learning from our prison project in discussions and parliamentary events focused on how Scotland can achieve the World Health Organisation's ambition of achieving Hepatitis C elimination by 2030.

Our community services across Scotland supported people living with or affected by blood borne viruses, enabling them to become more engaged in a body of peer support; to have more supportive social networks; to have the tools to better manage their condition and to be more likely to engage in and adhere to treatment. Examples include:

- our African Health Project provided ongoing support to over 100 Africans living with HIV, ensuring that they had the support they need to manage the impact of HIV alongside a multitude of other challenges including immigration status, poverty and destitution;
- our dedicated Hepatitis C service across Greater Glasgow and Clyde supported 124 individuals at all stages of their Hepatitis C pathway, enabling them to access treatment, clear Hepatitis C and continue recovering;
- our community based services in Lothian and Fife supported 433 children and adults living with or affected by HIV and Hepatitis C;
- our support services across Highland assisted 93 individuals with HIV and Hepatitis C, many of whom were facing the additional challenges that come with living in remote and rural communities;
- our Children and Families Project provided a programme of one-to-one, group and peer support, in addition to a residential break for a group of young service users, offering the opportunity to build confidence and skills and tackle the significant challenges that living with or being affected by a blood borne virus presents;
- our Community Projects team in Lothian teamed up with Positively UK to offer peer mentoring training to people living with HIV, giving these individuals the skills to share their experiences to provide support to others.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Waverley Care Milestone, our residential support centre, continued to be very busy, providing over 274 individual admissions and 2,600 bed nights of support. This enabled people with very complex health and care needs to maintain or improve their health. We are particularly proud that, of the 20 service users supported to start Hepatitis C treatment in the year, 18 have successfully cleared the virus, while two are in the middle of their treatment course. This year saw the 10,000th night of residential support provided at Milestone since the centre was refurbished in 2014.

We were also delighted to continue our partnership with Penumbra who lease two bungalows at Milestone to deliver a residential service to individuals affected by alcohol related brain damage.

Challenging stigma

In November 2017 we officially launched our young people's sexual health education programme, Wave, at Eden Court Theatre in Inverness. Wave provides young people under 25 with clear, relevant and inclusive information about all aspects of their sexual health, promoting respect for others and giving young people the confidence to make safe, healthy choices.

The project is primarily delivered through interactive workshops in secondary schools across Highland, involving pupils from S2-S4, but will also provide support to smaller groups of vulnerable young people in future.

Wave is funded by NHS Highland to complement and build on existing sexual health education work in the region. It aims to raise awareness of, and encourage young people to access, local NHS services including STI and pregnancy testing, and access to contraception.

Wave has been developed in conjunction with young people and we are grateful to all of the young people who informed the project's development. In total, 1,195 people aged 12-24 from across the region participated in a sexual health survey to inform the project. The project is supported by a website – www.wavehighland.com – which was developed thanks to a grant from the Big Lottery Fund's Awards for All scheme.

Following the launch in August 2016 of Caring Conversations, our person-centred care learning resource for GP practice staff, we sought external evaluation to assess its impact. Feedback from healthcare professionals demonstrated a high degree of satisfaction, but also led to improvements being made during 2017 to refine the user experience. Caring Conversations is a free, online learning resource that uses animated case studies of people living with HIV, and a range of reflective practice exercises to encourage a person-centred care approach by healthcare professionals. Person centred care is non stigmatising care and it is well evidenced that open and honest conversations between healthcare practitioners and patients lead to more positive outcomes.

In March 2018 we launched a new version of the resource which aims to begin challenging HIV related stigma amongst secondary care professionals. We will continue to work hard to promote the resource through NHS and person-centred care contacts, speaking opportunities and conferences. We were delighted that NHS Greater Glasgow and Clyde have incorporated the resource into their board-wide campaign to reduce HIV stigma within their workforce.

Caring Conversations continues to attract regular visitors to its site. The acceptance of the GP contract within Scotland has offered us an opportunity to once again contact all practices across Scotland. With the expectation that primary care staff will be taking on more varied roles, it seemed a good opportunity to highlight the place that effective and caring conversations can have in patient-to-staff and peer-to-peer relationships. To date, there have been 3,646 unique users since August 2016. The resource's impact was also recognised by being shortlisted for self-management resource of the year at the Self-Management Awards in October 2017.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

In addition to this work, over the last year our MY Voice Project has been working with communities affected by Female Genital Mutilation (FGM) and is supporting the development of culturally sensitive support services across Scotland. In June 2017, the project organised a conference in Edinburgh which brought together communities affected by FGM, activists, researchers and professionals to discuss Scotland's response to this harmful practice. We have also sought to build relationships with UK Border Agency teams at Edinburgh Airport, supporting them to raise the issue of FGM with passengers travelling to and from FGM practising countries.

There are an estimated 24,000 people living in Scotland who were born in countries known to practise FGM, although the number directly affected is unknown. Attitudes towards FGM are strongly linked to culture and, where it is practised, it is often justified as a necessary part of raising young women, closely tied to sexuality, morality and modesty. The practice is, however, illegal in Scotland and considered to be a serious form of child abuse and violence.

The organisation continues to deliver information about sexual health, HIV and Hepatitis C, and our services to affected individuals, communities and professionals. It has been encouraging to see how well our various online platforms are being used. For instance, the Waverley Care website (www.waverleycare.org) was accessed by 26,756 users, SX (www.s-x.scot) by 4,156 users and Caring Conversations (www.caringconversations.scot) by 2,785 users during the year. All these figures include return users.

3. Financial review

Our surplus on activities for the year, excluding pension adjustments, is £57,815 (2017: £229,674). This is a good result given the continuing challenges faced by charities across the UK. As in previous years, we took a cautious approach to expenditure during the year.

We had a number of significant successes securing funding and contracts to continue existing operations, as well as winning contracts to deliver new services. For example, we were successful in securing contracts with NHS Lanarkshire to deliver the Chinese Health Project and with NHS Highland to launch Wave, our new sexual health programme for young people.

Our fundraising team raised in excess of £350,000 an impressive result in difficult circumstances. To ensure that our fundraising operations remain fit for purpose and that we are able to take advantage of our growing national presence and service portfolio, we appointed a new Head of Income Generation in September 2017 to lead our work in this area. We are confident that this will enable the organisation to continue securing tenders and contracts, alongside increased growth in voluntary income from trusts, individuals and corporates.

We have continued to ensure that the charity has a clear and robust approach to financial planning, income generation and financial control through the development of a financial strategy that is monitored by the Board of Directors and the finance sub group.

The key components of the strategy include:

- preparation of financial projections to support our objectives and activities;
- accurate costing of all projects and the ongoing review of actual results against budget;
- ensuring where possible that project funding contributes to organisational overheads such as premises, management, HR and payroll expenses;
- the review and maintenance of a reserves policy in line with best practice;
- a well-defined fundraising strategy focused on maintaining and strengthening relationships with our existing funders and supporters as well as identifying new ones;
- regular review by the Board of the key risks affecting the ongoing viability of the charity, ensuring that we identify and manage the salient risks in a timely way.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Our balance sheet, excluding the pension liability, remains strong. However, our share of the Lothian Pension Fund remains significant. This liability remains a source of concern to the Directors. The Directors commissioned further specialist advice from Mercer in order to inform how best to mitigate the impact of potential significant increases in contribution rates as a result of the fund's new funding strategy. Following negotiation with Lothian Pension Fund, we have secured a nine-year phasing of contribution increases, which we consider affordable. The Directors will continue to closely monitor the pension fund position in order to develop a longer-term strategy that best supports the organisation's sustainability.

The principal funding sources for the charity are by way of grant and contract income from the City of Edinburgh Council, NHS Fife, NHS Forth Valley, NHS Greater Glasgow and Clyde, NHS Lanarkshire, NHS Lothian, the Scottish Government and West Lothian Council. In 2017-18 the charity also received voluntary income from a large number of charitable trusts and companies including: AbbVie; BBC Children in Need; Big Lottery Fund Awards for All; Gannochy Trust; The Imlay Foundation; Janssen; The Lady Marian Gibson Trust; MAC AIDS Fund; Make a Difference Trust; The Nancie Massey Charitable Trust; Peter Carr Charitable Trust; The R S Macdonald Charitable Trust; The Robertson Trust; Scotch Whisky Action Fund; Voluntary Action Fund and many others.

We continue to benefit hugely from our long-standing relationship with the Pleasance Theatre Trust who have supported the charity's work over 27 years enabling us to raise over £450,000 during that period. We continue to benefit from our relationship with Off the Kerb Productions who raised £29,801 for us during the Edinburgh Fringe. In total, we raised £48,347 during the 2017 Fringe including £8,122 matched funding from Lloyds Banking Group.

We are also grateful to benefit from being a beneficiary charity of the Edinburgh Playhouse Theatre, a relationship which raised £9,383 in 2017-18. We also continue to run our own fundraising events and our three Côme and Sing events raised a collective total of £28,856.

Investment powers and policy

The Directors, having regard to the liquidity requirements of the charity, have kept available funds in an investment portfolio which is managed by Brewin Dolphin, stockbrokers, on an advisory basis. The objective is one of a balanced portfolio subject to a medium degree of risk. There are no specific investment restrictions or limitations applied to the portfolio. At a time of uncertainty and volatility in the stock market there is no target return set but the value of the portfolio is benchmarked against the WMA Private Investors Balanced TR Benchmark.

Taxation

The charity is recognised as such by the HM Revenue and Customs for taxation purposes. As a result, there is no liability to taxation on any of its income.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Reserves policy and going concern

The Directors' long term aim is to ensure that the charity builds up general funds equivalent to not less than six months' running expenses for the total organisation. At current levels of activity that is equivalent to £700,000. The Directors consider that this level of reserves is one which is prudent considering the level and extent of risks associated with funding streams which the charity is required to manage.

In the year under review free reserves, excluding the pension reserve, stood at £754,069 at the year end.

The charity remains a going concern, having secured key funding for the financial year 2018-19. This includes contracts in place with NHS Greater Glasgow and Clyde, NHS Lanarkshire, NHS Lothian and NHS Highland for the forthcoming year. Grant and contract funding is also in place from the City of Edinburgh Council towards Milestone and we are about to submit tenders for existing Hepatitis C services in Greater Glasgow and Highland which we are confident will be successful.

We were also successful in securing funding of over £220,000 per year until March 2021 from the Scottish Government's Sexual Health and Blood Borne Virus Third Sector Funding Programme which will enable us to deliver three national projects over the coming three years. These are:

- **SX Scotland** – Building on the work of SX in Lothian, this project will develop a collaborative national approach to HIV prevention and good sexual health for gay and bisexual men, and all men who have sex with men across Scotland.
- **African Health Project** – Building on our existing national and regional African Health Project programmes, this project will work in partnership with African communities across Scotland to design, deliver and manage tailored HIV and sexual health resources that address specific needs.
- **Community Engagement and Research** – Building on our previous experience of community engagement, this project will seek to engage directly with populations affected by poor sexual health and BBVs, using a peer-to-peer research approach. The findings of this process, which will involve people living with HIV as well as at-risk populations, will be shared with partners to inform decision-making and improve service delivery.

Through each of these projects, we will be working closely with communities to better understand and address specific needs, challenge HIV stigma and promote prevention, testing and support.

4. Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming year. An ongoing financial concern for the charity, as for the charitable sector generally, is its reliance on short term and uncertain funding sources, tendering for contracts and the ongoing challenging economic outlook. This means that fundraising in support of existing services as well as new developments will remain a key priority for the charity.

The charity's plans over the forthcoming year include the following areas of activity:

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT. FOR THE YEAR ENDED 31 MARCH 2018

Strategic

- Continuing to develop the ambitions and activities outlined in our strategic plan for 2017-20.
- Building on opportunities - through PrEP and TasP - and the challenges presented by Hepatitis C elimination and HIV and ageing to develop a longer-term plan for the charity's activity and strategic focus. The charity recognises that the needs of people living with or at risk of blood borne viruses change and our services need to be able to identify and respond to changing needs and circumstances. The charity will seek sources of funding that enable us to respond accordingly.
- Bidding for funding to develop a service to respond to the HIV outbreak within Glasgow's drug using population.
- To review the organisation's branding in order to ensure we are best reflecting the range of our work and ambitions and the different sub brands we now have.

Operational

- Developing our new national Scottish Government funded work and cementing our position as Scotland's HIV and Hepatitis C charity.
- Continuing to develop Wave, our new young people's sexual health promotion services in the NHS Highland area and exploring opportunities to roll it out further.
- Continuing to promote Caring Conversations to healthcare professionals across Scotland.

People and Infrastructure

- Communications and digital technology – the charity recognises that communications, particularly digital and social media, are important means of supporting service delivery, engagement and fundraising. The charity will continue to seek funds to strengthen our communications capabilities and IT infrastructure.
- Development of an organisational People Plan focusing on three priority areas identified by staff – learning and development, wellbeing, and communication – in order to support staff to be the best they can be.

Finance and Fundraising

- Continuing to develop our income generation activities in order to grow our statutory and voluntary income across Scotland.
- Develop an organisational sustainability plan to support our intention to ensure services achieve full cost recovery. The charity will continue to pursue funding opportunities to generate funds to cover organisational costs. This means that funding applications and contracts will be assessed against their ability to bring in contributions towards the costs of central support systems such as finance, payroll, HR and IT support, management and regulatory costs.

In seeking to support these areas we will target the following potential sources of funds:

- charitable trusts and foundations;
- individual and corporate donors;
- fundraising events.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

5. Structure, governance and management

Governing document

Waverley Care is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 2 August 2016. It is registered as a Scottish charity with OSCR. A Board of Directors, which must have a minimum of 3 members and a maximum of 12 members, governs the charity.

Appointment of directors

Directors are appointed at an AGM and can hold office for up to 4 years which is renewable for a further 4 years. Directors are recruited to a skills based specification to ensure that the Board has a good balance of the skills and experience relevant to the work of the organisation.

A list of Directors is on page 1 of the report. In 2017-18, there were no changes in our Board membership.

We held a very productive board strategy day in March 2018 in order to review our achievements and to identify actions for the year ahead. These include continuing to strengthen our governance arrangements and ensuring that we review board skills to inform future Director recruitment.

Director induction and training

New Directors receive an induction to brief them on their legal and financial responsibilities under charity law; the OSCR guidance on charity trustees; the content of the Memorandum and Articles of Association; the Board decision making processes; the organisation's strategic objectives and the recent financial performance of the charity. During the induction period, new Directors meet key employees and Directors and visit some of the organisation's services.

Organisation

The Board of Directors, which can have up to 12 members, administers the charity. The Board normally meets on a bi-monthly basis. A Finance and Fundraising Sub Group meets quarterly with the remit of scrutinising the charity's finances and income generation activities. A second standing sub group – the People Sub Group – was established 2017-18 to provide oversight of People issues and is developing a People Plan which will be launched at the end of 2018.

A Chief Executive is appointed by the charity's Directors to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the charity's Directors, for operational matters including finance, employment and operational delivery. An experienced senior management team is in place to manage the organisation's diverse range of services and activities. The team comprises the Chief Executive, Head of Income Generation and Senior Managers for Finance, Lothian Community Projects and SX, Glasgow Services, Highland Services and Milestone.

Related parties and co-operation with other organisations

None of our Directors receive remuneration or other benefit from their work with the charity. Any connection between a Director or senior manager of the charity with a third party organisation that is providing services on the charity's behalf must be disclosed to the full Board of Directors in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

Pay policy for senior staff

The Directors consider the Board of Directors and the senior management team as comprising the key management personnel in charge of directing and controlling, running and operating the charity on a day to day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of Directors' expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of the senior staff team is reviewed annually and normally increased in accordance with COSLA cost of living increases. Cost of living awards are approved by the full Board of Directors. Over the next year, the Board of Directors plan to undertake a review of our senior management structure in light of the charity's growing remit, which will include a review of senior salaries.

Risk management

The Directors have a risk management strategy in place which is designed to:

- record the significant risks the charity faces
- allocate responsibility for their mitigation along with associated management actions and timescales
- record management processes that already mitigate the risk to some extent

The organisation has developed a risk management matrix in conjunction with risk management experts from Lloyds Banking Group. The matrix covers all key areas of activity - operational, governance, financial, environmental/external and compliance/regulation. It is recognised that in pursuit of our normal activities we may choose to accept some risks and it is the responsibility of management to identify, report and control these risks. The Senior Management Team looks at this regularly and the risk assessment is reviewed on an annual basis by the Board of Directors.

This work has identified that major risks for the charity are the pension liability with Lothian Pension Fund and our ongoing financial sustainability. We have sought expert advice from Mercer and are now exploring options to mitigate the risks associated with the pension liability. To monitor our financial sustainability, we use a funding risk map to identify when project funding ends or to highlight where there are funding shortfalls. We are also implementing the recommendations of a review of fundraising operations to maximize the yield from fundraising activity going forward.

Attention has also been focused on non-financial risks such as compliance with relevant policies and health and safety regulation. These risks are monitored through regular review of practice policies by our Senior Management Team; audit and update of employment policies by our legal advisors and through our Health and Safety group.

Following the board strategy day in March 2018, the board has agreed an action plan which details a range of actions for 2018-19 to continue strengthening areas such as governance, financial management and fundraising.

Directors' responsibilities in relation to the financial statements

The Directors 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).

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state affairs of the charitable company and of the income and expenditure of the charity for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and 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 as 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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

Disclosure of information to auditors


In so far as they are aware at the time of approving our Directors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the Directors, having made enquiries of fellow Directors, that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Chiene + Tait LLP were appointed as auditor at the AGM in November 2017.

The Directors' report was approved by the Board of Directors on 27/9 / 2018 and signed on their behalf by:


..... Chair
Mr Ian Arnot



**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF
WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)**

Opinion

We have audited the financial statements of Waverley Care (the 'charitable company') for the year ended 31 March 2018 which comprise the Income and Expenditure Account, the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 2018, and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, 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 relating to going concern

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

- the 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 directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. 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.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF
WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE) (CONTINUED)**

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 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 require us to report to you if, in our opinion:

- adequate and proper 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 and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 15 and 16, 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 determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

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 regulations made under those Acts.

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 on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS AND MEMBERS OF
WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE) (CONTINUED)**

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 directors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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.

Malcolm Beveridge

Malcolm Beveridge, CA (Senior Statutory Auditor)

For and on behalf of
Chiene + Tait LLP,
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

5 OCTOBER 2018

Chiene + Tait LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018	2017
		£	£
Income			
Donations and legacies	2	728,683	821,203
Investment income	4	19,844	12,063
Income from charitable activities	3	2,379,075	2,223,066
Amortisation of capital grants		-	-
Total income		3,127,602	3,056,332
Expenditure			
Raising funds	5	(192,745)	(137,769)
Charitable expenditure	5	(2,876,630)	(2,688,921)
Total expenditure		(3,069,375)	(2,826,690)
		58,227	229,642
Realised (loss)/gain on sale of investments	9	(412)	32
Surplus/(deficit) for the year		57,815	229,674
Actuarial movement in pension scheme	17	581,000	(694,000)
Surplus/(deficit) on activities for the year including pension adjustments		638,815	(464,326)
Reconciliation to Statement of Financial Activities			
Surplus/(deficit) on activities for the year including pension adjustments		638,815	(464,326)
(Losses)/gains on investments	9	(15,727)	49,024
Total funds brought forward		23,034	438,336
Total funds carried forward	16	646,122	23,034

All gains and losses and actuarial losses on the defined benefit pension schemes, are disclosed in the Statement of Financial Activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes form part of these financial statements

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2018 Total £	2017 Total £
Income:						
Donations and legacies	2	566,315	-	162,368	728,683	821,203
Charitable activities	3	2,271,494	-	107,581	2,379,075	2,223,066
Investments	4	12,496	-	7,348	19,844	12,063
Total income		2,850,305	-	277,297	3,127,602	3,056,332
Expenditure:						
Raising funds	5	(192,745)	-	-	(192,745)	(137,769)
Charitable activities	5	(2,711,930)	(27,224)	(137,476)	(2,876,630)	(2,688,921)
Total expenditure		(2,904,675)	(27,224)	(137,476)	(3,069,375)	(2,826,690)
Net (losses)/gains on investments	9	(2,571)	-	(13,568)	(16,139)	49,056
Net income/(expenditure)		(56,941)	(27,224)	126,253	42,088	278,698
Transfers between funds	15	34,047	-	(34,047)	-	-
Net income/(expenditure)		(22,894)	(27,224)	92,206	42,088	278,698
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension	17	581,000	-	-	581,000	(694,000)
Net movement in funds		558,106	(27,224)	92,206	623,088	(415,302)
Reconciliation of funds						
Balance at 1 April 2017		(718,037)	327,750	413,321	23,034	438,336
Balance at 31 March 2018		(159,931)	300,526	505,527	646,122	23,034

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities

The notes form part of these financial statements

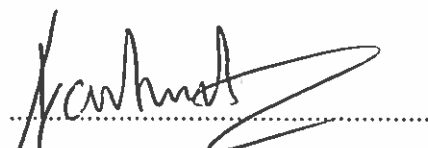
WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2018

	Note	£	2018 £	£	2017 £
Fixed Assets					
Tangible assets	8		317,815		348,940
Investments	9		791,819		406,189
			<u>1,109,634</u>		<u>755,129</u>
Current assets					
Debtors	10	158,236		481,830	
Cash at bank and in hand		464,412		225,564	
		<u>622,648</u>		<u>707,394</u>	
Creditors: amounts falling due within one year	11	<u>(172,160)</u>		<u>(136,489)</u>	
Net current assets			450,488		570,905
Net assets excluding pension liability			<u>1,560,122</u>		<u>1,326,034</u>
Defined benefit pension liability	17		(914,000)		(1,303,000)
Net assets including pension liability			<u>646,122</u>		<u>23,034</u>
Funds					
Unrestricted funds					
- General	13		754,069		584,963
- Pension reserve	13		(914,000)		(1,303,000)
- Designated	14		300,526		327,750
Restricted funds	15		505,527		413,321
			<u>646,122</u>		<u>23,034</u>

These accounts are prepared in accordance with the special provisions for Small Companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Directors on 27/9/18 and signed on their behalf by:-



Mr Ian Arnot (Chair)
Director

Company number: SC253043

The notes form part of these financial statements

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	18	234,748	(122,095)
Cash flows from investing activities			
Dividends and interest from investments		19,844	12,063
Purchase of fixed assets		(3,589)	(4,277)
Proceeds from sale of investments		57,530	15,894
Purchase of investments		(9,609)	(27,551)
Decrease in cash balance on investments		(60,076)	3,407
Net cash provided by/(used in) investing activities		4,100	(464)
Change in cash and cash equivalents in the year		238,848	(122,559)
Cash and cash equivalents at the beginning of the year		225,564	348,123
		464,412	225,564

The notes form part of these financial statements

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies

General information

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. These financial statements are of Waverley Care only and cover the year to 31 March 2018.

Waverley Care is an incorporated charity limited by guarantee in the United Kingdom and is registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC036500. Details of the registered office can be found on page 1 of these financial statements.

Basis of Accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)", the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated otherwise in the relevant accounting policy note(s).

Going concern

The charity depends on grant and contract funding from outside sources and fundraising to finance its activities. At the date of approving the financial statements in assessing the going concern position of the charity, the Board has fully considered the security of future income and net asset position in the Balance Sheet at the year end.

The charity has committed grant funding until March 2019 and, on the basis of cash flow projections, is able to meet its ongoing liabilities as they fall due. As a consequence, the Board has prepared the financial statements on the going concern basis.

Grants

Revenue grants are recognised in the year to which they relate when the charitable company has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. Any income which relates to a period out with the one under review is treated as deferred.

Fundraising and donations

Fundraising and donations income is normally credited in the year in which it is receivable, except in the case of events where net income is recognised when the results are finally ascertained.

Investments and investment income

Investments have been included in the balance sheet at market value. Realised gains and losses are recognised in the Income and Expenditure account and the Statement of Financial Activities in the period to which they relate. Unrealised gains and losses are recognised in The Statement of Financial Activities in the period to which they relate.

Income from investments is credited to income in the year in which it is receivable.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. Accounting policies

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. Expenditure is classified under the following headings:

- Costs of raising funds which comprises all costs associated with generating income from all sources other than from undertaking charitable activities;
- Expenditure on charitable activities which comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries and their associated support costs.

Where possible, expenditure has been charged direct to costs of generating income or charitable expenditure. Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity.

Allocation of support costs

Support costs are those functions that assist the work of the charitable company but do not directly undertake charitable activities. Support costs include governance costs which support the activities of the charitable company. These costs have been allocated between the activities under expenditure on charitable activities on a basis of time spent.

Fixed assets

Tangible fixed assets are stated at cost less depreciation. The rates of depreciation are calculated so as to write off the cost less residual value of each asset evenly over its expected useful life as follows:

Milestone House	Over the life of the lease (extended to 2030)
Computer equipment	4 years
Furniture and equipment	5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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 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

Creditors 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 are normally recognised at their settlement amount after allowing for any discounts due.

Financial instruments

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

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. Accounting policies (continued)

Operating leases

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

Pensions

Defined benefit scheme:-

The charity participates in a multi-employer defined benefit scheme in respect of its employees. The assets of the scheme are held in an external fund managed by professional investment managers. This scheme was closed to new members from 1 July 2016.

Where the charity's share of the assets and liabilities of a multi-employer scheme can be separately identified, in accordance with FRS102, the operating and financing costs of pension and post retirement schemes (determined by a qualified actuary) are recognised separately in the Statement of Financial Activities. Service costs are systematically spread over the service lives of the employees and financing costs are recognised in the period in which they arise.

The difference between the actual and expected returns on assets during the year, including changes in the actuarial assumptions, is also recognised in the Statement of Financial Activities.

The share of a scheme deficit is recognised in full on the balance sheet and the charity's share of a surplus is recognised to the extent that it can be recovered.

Where the charity's share of the assets and liabilities of a multi-employer scheme cannot be separately identified, contributions payable are charged to the statement of financial activities in the period to which they relate.

Defined contribution scheme:-

The charity operates a defined contribution scheme in respect of its employees. The assets of the scheme are held separately from those of the charity. The pension cost charge represents the amount of the contributions payable to the scheme in respect of the year.

VAT

The charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Funds

The nature and purpose of funds held are contained in notes 13 to 15.

Judgements in applying policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The directors are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied to the depreciation rates. The depreciation rates have been deemed to be appropriate for the class of asset.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting policies (continued)

Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

2. Donations and legacies	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2018 £	2017 £
Donations/covenants	424,049	-	162,368	586,417	625,004
Events	142,266	-	-	142,266	196,199
	<u>566,315</u>	<u>-</u>	<u>162,368</u>	<u>728,683</u>	<u>821,203</u>

Donation and legacy income for the comparative year to 31 March 2017 totals £821,203 of which £421,203 was unrestricted and £400,000 was restricted.

3. Income from charitable activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2018 £	2017 £
Grants	2,081,242	-	107,581	2,188,823	2,051,449
Fees	3,888	-	-	3,888	1,629
Step-down care and other income	186,364	-	-	186,364	169,988
	<u>2,271,494</u>	<u>-</u>	<u>107,581</u>	<u>2,379,075</u>	<u>2,223,066</u>

Grant income includes £2,060,037 of government grants receivable (2017 - £1,970,536).

Income from charitable activities for the comparative year to 31 March 2017 totals £2,223,066 of which £2,161,959 was unrestricted and £61,107 was restricted.

4. Investment income

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2018 £	2017 £
Interest received	1,040	-	-	1,040	704
Investment income	11,456	-	7,348	18,804	11,359
	<u>12,496</u>	<u>-</u>	<u>7,348</u>	<u>19,844</u>	<u>12,063</u>

Investment income for the comparative year to 31 March 2017 totals £12,063 all of which was unrestricted.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

5. Resources expended	Charitable activities			Total 2018 £	Total 2017 £
	Raising Funds £	Residential £	Community Services £		
Staff costs (note 7)	145,384	651,386	1,527,074	2,323,844	2,086,316
Property costs	59	70,524	88,520	159,103	146,137
Activities	33,230	57,522	112,038	202,790	305,482
Administration	11,822	55,579	215,777	283,178	197,927
Depreciation	-	4,265	30,449	34,714	39,968
Pension finance costs	2,250	15,188	18,562	36,000	20,000
Governance costs (note 6)	-	16,736	13,010	29,746	30,860
	<u>192,745</u>	<u>871,200</u>	<u>2,005,430</u>	<u>3,069,375</u>	<u>2,826,690</u>

Resources expended for the year totals £3,069,375 (2017 - £2,826,690) of which £2,904,675 (2017 - £2,681,012) was unrestricted, £27,224 (2017 - £27,224) was designated, £137,476 (2017 - £118,454) was restricted.

6. Analysis of governance costs	2018 £	2017 £
Audit	6,060	6,576
Accountancy	15,514	15,704
Legal and professional fees	8,172	8,580
	<u>29,746</u>	<u>30,860</u>

7. Staff numbers and costs	2018 £	2017 £
Wages and salaries	1,664,211	1,542,684
Social Security costs	148,533	136,315
Staff termination costs	-	33,988
Pension costs – actual	305,879	277,120
Pension costs – FRS 102 adjustment	156,000	37,000
Other staff costs	49,221	59,209
	<u>2,323,844</u>	<u>2,086,316</u>

The average monthly number of employees during the year was:	Number	Number
Fundraising	4	4
Administration	6	6
Charitable activities	59	52
	<u>69</u>	<u>62</u>

In addition to the staff numbers noted above, the charity uses occasional bank staff to cover ad-hoc shifts. No employees earned at a rate of over £60,000 per annum.

The Directors received no remuneration or expenses (2017 – £nil).

The key management personnel of the charitable company comprise the directors, the chief executive and the senior management team. The total employee benefits of the key management personnel of the charitable company, including employers' NIC and pension, were £419,334 (2017 - £396,881).

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

8. Fixed assets	Milestone House £	Computer equipment £	Furniture & equipment £	Total £
Cost				
<i>At 1 April 2017</i>	2,089,243	74,384	49,543	2,213,170
Additions during the year	-	3,589	-	3,589
At 31 March 2018	2,089,243	77,973	49,543	2,216,759
Depreciation				
<i>At 1 April 2017</i>	1,747,996	66,694	49,540	1,864,230
Charge for year	28,263	6,448	3	34,714
At 31 March 2018	1,776,259	73,142	49,543	1,898,944
Net book value at 31 March 2018	312,984	4,831	-	317,815
<i>Net book value at 31 March 2017</i>	341,247	7,690	3	348,940

The ground on which Milestone House is built is leased from Lothian Health Board under a 25 year lease which commenced in March 1990. This was extended in 2014 for a further 16 years. As a result, the property is not a realisable asset. The net book value of Milestone House includes £12,460 relating to furniture and equipment. All the assets are used for direct charitable purposes.

9. Investments	2018 £	2017 £
<i>Market value on 1 April 2017</i>	406,189	348,883
Increase/(decrease) in cash held	60,076	(3,407)
Disposal proceeds	(57,530)	(15,894)
Net realised investment (losses)/gains	(412)	32
Transfer from legacy received	389,614	-
Additions at cost	9,609	27,551
Net unrealised investment (losses)/gains	(15,727)	49,024
Market value at 31 March 2018	791,819	406,189
Cost	721,452	323,312

Included in investments in 2018 is £62,615 (2017 - £2,539) held as cash.

Investment management charges of £6,021 (2017 - £3,539) are included in fundraising costs in the year.

The portfolio is structured as follows:-

	Over 5%	Total%
UK Bonds		17.8
UK Equities		37.5
Edinburgh Investment Trust Ord 25p	5.5	
North American Equities		16.9
Findlay Park Funds	6.1	
JP Morgan AM UK Ltd	6.7	

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

9. Investments (continued)

The portfolio is structured as follows:-

	Total%
European Equities	6.7
Japanese Equities	1.4
Asia Pacific Equities	2.6
Emerging Market Equities	2.2
Global Investment Funds	6.8
Absolute Return	3.1
Property	3.0
Other investments	2.0
Total	100

All investments are carried at fair value. The basis of fair value for quoted investments is equivalent to the market value, using bid price. Assets sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The volatility in the stock market is an area of financial uncertainty which the Board have mitigated by having a balanced portfolio subject to a medium degree of risk and by benchmarking the portfolio against the WMA Private Investors Balanced Index.

10. Debtors	2018 £	2017 £
Income tax recoverable	3,625	1,014
Prepayments and accrued income	154,611	480,816
	<u>158,236</u>	<u>481,830</u>

11. Creditors: amounts falling due within one year	2018 £	2017 £
Trade creditors	29,671	23,009
Social Security and other taxes	37,027	34,175
Other creditors	31,213	31,767
Accruals	26,849	26,786
Deferred income	47,400	20,752
	<u>172,160</u>	<u>136,489</u>

The deferred income in 2017 of £20,752 was released in the current year and for the year ended 31 March 2018 deferred income comprises of: NHS Lothian £25,000; NHS Lanarkshire £20,000; Forth Valley £400 and Ward Family Trust £2,000. This income was received for the year ending 31 March 2019 and will be released to income in the year to which it relates.

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

12. Leasing commitments

The charity's commitments for rental payments under non-cancellable operating leases at 31 March 2018 are as set out below:

Operating leases	Land and buildings 2018 £	Land and buildings 2017 £
Within one year	78,292	56,167
Between two and five years	212,360	144,750
Over five years	34,250	68,500
	<u>324,902</u>	<u>269,417</u>

The amount of operating lease payments included as an expense in the year was £76,000 (2017 - £76,000).

13. General funds	Balance at 1 April 2017 £	Income £	Expenditure £	Other recognised gains/ (losses) £	Transfers £	Balance at 31 March 2018 £
General fund	584,963	2,850,305	(2,712,675)	(2,571)	34,047	754,069
Pension reserve	(1,303,000)	-	(192,000)	581,000	-	(914,000)
	<u>(718,037)</u>	<u>2,850,305</u>	<u>(2,904,675)</u>	<u>578,429</u>	<u>34,047</u>	<u>(159,931)</u>

14. Designated funds

Funds set aside by the directors for specific purposes:	Balance at 1 April 2017 £	Income £	Expenditure £	Other recognised gains/ (losses) £	Transfers £	Balance at 31 March 2018 £
Milestone House refurbishment	327,750	-	(27,224)	-	-	300,526
	<u>327,750</u>	<u>-</u>	<u>(27,224)</u>	<u>-</u>	<u>-</u>	<u>300,526</u>

15. Restricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Other recognised gains/ (losses) £	Transfers £	Balance at 31 March 2018 £
Arts project	-	10,652	(9,193)	-	(1,459)	-
Caring conversations	13,321	54,000	(54,942)	-	(10,000)	2,379
Craw Milestone Fund	400,000	169,716	(60,000)	(13,568)	-	496,148
Children and Families	-	42,929	(13,341)	-	(22,588)	7,000
	<u>413,321</u>	<u>277,297</u>	<u>(137,476)</u>	<u>(13,568)</u>	<u>(34,047)</u>	<u>505,527</u>

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

15. Restricted funds (continued)

Restricted fund transfers include transfers to unrestricted funds as restrictions fully met.

Arts project – The fund exists to provide support for art based activities within our residential and community projects in Edinburgh.

Caring Conversations – This fund supports national HIV awareness programmes targeting healthcare professionals. Transfers in this fund represent contributions to general overheads in accordance with the grant application.

Craw Milestone Fund – The charity received a legacy from James Somerville Craw towards the running of Milestone House.

Children & families – This fund supports children, young people and their families affected by HIV.

16. Analysis of net assets among funds	Unrestricted General £	Designated funds £	Restricted funds £	Total Funds £
Fixed assets	17,289	300,526	-	317,815
Investments	409,351	-	382,468	791,819
Net current assets	327,429	-	123,059	450,488
Pension reserve	(914,000)	-	-	(914,000)
	<u>(159,931)</u>	<u>300,526</u>	<u>505,527</u>	<u>646,122</u>

17. Pension schemes

The charity participates in a defined benefit scheme and a defined contribution pension scheme

The defined benefit scheme provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the charity in an independently administered fund. Pension contributions totalling £27,557 (2017 - £30,139) were due to the scheme at the year-end representing contributions due for March.

The details of the scheme are:

Defined benefit scheme – Lothian Pension Fund

The charity participates in a defined benefit scheme in the UK that provides pensions linked to final salaries. A valuation of the pension fund is carried out triennially; the most recent valuation was 31 March 2014. Liabilities are valued on an actuarial basis using the projected unit method, which assess the future liabilities of the fund discounted to their present value. The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. This scheme was closed to new members from 1 July 2016.

The principal actuarial assumptions used by the actuary for the purposes of the FRS 102 valuation included in the financial statements are as follows:

	31 March 2018 % pa	31 March 2017 % pa
Rate of increase in salaries	4.1	4.4
Rate of increase in pensions payment	2.4	2.4
Discount rate	<u>2.7</u>	<u>2.6</u>

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

17. Pension schemes (continued)

Defined benefit scheme – Lothian Pension Fund (continued)

Life expectancy is based on the PFA92 and PMA92 'year of birth' tables. Based on these assumptions, the average future life expectancies at age 65 are as follows

	Males	Females
Current pensioners	21.7years	24.3 years
Future pensioners	24.7 years	27.5 years

The major categories of plan assets as a percentage of total plan assets were:

	31 March	31 March
	2018	2017
Equities	75%	67%
Bonds	11%	23%
Property	7%	7%
Cash	7%	3%

Changes in the fair value of plan assets, defined benefit obligation and net liability for the year ended 31 March 2018 are as follows:

	Assets	Obligations	Net (liability)/	Net position
	£'000	£'000	asset	March 2017
			£'000	£'000
Fair value of plan assets	6,072	-	6,072	4,713
Present value of funded liabilities	-	7,375	(7,375)	(5,265)
Opening position as at 31 March 2017	6,072	7,375	(1,303)	(552)
Service cost				
Current service cost	-	444	(444)	(314)
Total service cost	-	444	(444)	(314)
Net interest				
Interest income on plan assets	161	-	161	169
Interest cost on defined benefit obligation	-	197	(197)	(189)
Total net interest	161	197	(36)	(20)
Total defined benefit cost recognised in net income or (expenditure)	161	641	(480)	(334)
Cash flows				
Plan participants' contributions	75	75	-	-
Employer contributions	288	-	288	277
Contributions in respect of unfunded benefit	-	-	-	-
Benefits paid	(128)	(128)	-	-
Expected closing position	6,468	7,963	(1,495)	(609)

WAVERLEY CARE (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

17. Pension schemes (continued)	Assets	Obligations	Net (liability)/ asset	Net position March 2017
	£	£	£	£
Re-measurements				
Changes in demographic assumptions	-	2	(2)	-
Changes in financial assumptions	-	(230)	230	(1,618)
Other experience	-	(549)	549	-
Return on assets excluding amounts included in net interest	(196)	-	(196)	924
Total re-measurements in other gains/losses in Statement of Financial Activities	(196)	(777)	581	(694)
Fair value of plan assets	6,272	-	6,272	6,072
Present value of funded liabilities	-	7,186	(7,186)	(7,375)
Closing position as at 31 March 2018	6,272	7,186	(914)	(1,303)

**Defined contribution scheme –
Pension Trust**

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £21,700 (2017 - £13,524). Contributions totalling £3,317 (2017 - £1,514) were payable to the fund at the balance sheet date.

18. Reconciliation of net expenditure to net cash flow from operating activities

	2018 £	2017 £
Net income/(expenditure) for the year	42,088	278,698
Adjustments for		
Depreciation charges	34,714	39,968
Dividends and interest from investments	(19,844)	(12,063)
Transfer of investments	(389,614)	-
(Gains)/losses on investments	16,139	(49,056)
(Increase)/decrease in debtors	323,594	(417,694)
(Decrease)/increase in creditors	35,671	(18,948)
Defined benefit pension scheme charges	192,000	57,000
Net cash provided by/(used in) operating activities	234,748	(122,095)