

Report of the Trustees and
Unaudited Financial Statements for the Year Ended
5 April 2017
for
The Lens

A H & Co Ltd
Chartered Accountants
6 Logie Mill
Edinburgh
Lothian
EH7 4HG

The Lens

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for the Year Ended 5 April 2017

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Reference and Administrative Details
for the Year Ended 5 April 2017

TRUSTEES

K Barclay (Chair)
M Gibson
C Stuart
J West

PRINCIPAL ADDRESS

Robertson House
152 Bath Street
Glasgow
G2 4TB

REGISTERED CHARITY NUMBER

SC046025

INDEPENDENT EXAMINER

A H & Co Ltd
Chartered Accountants
6 Logie Mill
Edinburgh
Lothian
EH7 4HG

SENIOR MANAGEMENT

S McCreadie - Chief Executive Officer

The Lens

Report of the Trustees for the Year Ended 5 April 2017

The trustees present their report with the financial statements of the charity for the year ended 5 April 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the charity is to support a variety of events determined by the trustees. the current objectives are:

1. Advance citizenship and/or community development by supporting other charities to improve their own capability and capacity through, amongst other services, education, support guidance and innovation.
2. Enhance, encourage and enable innovation and intrapreneurship within the charities sector.
3. Increase intrapreneurial mind sets, behaviours and skills.
4. Disseminate learning about innovation and intrapreneurship.

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Report of the Trustees for the Year Ended 5 April 2017

ACHIEVEMENT AND PERFORMANCE

Charitable activities

I am delighted to present our Annual Report for the first full year of The Lens. It reflects an eventful and busy year. The report covers the period 6 April 2016 to 5 April 2017 although given the speed of change at the charity, the relative start up nature of the organisation and also that it is already six months since our year end we do make some observations of important events since the year end.

In the year under review, we partnered with four organisations and three finals took place. In these, we trained 23 enablers, 17 judges and 28 intrapreneurs secured grants of £60,000. I am very grateful to The Robertson Trust who supported the initial investment funds. We have continued to work with our founding charity partners Loretto Care, Cornerstone and Princes Trust and welcomed Alzheimer's Scotland. Since April 2017 we have initiated work with Children's Hospice Association of Scotland and other charities are set to partner with us.

With generous support from Wm Grant Foundation, we also ran our first joint programme with Includem, Beatson Cancer Care, CLAN Cancer Care and Aberdeen Alcohol and Drugs Action with a hugely successful final comprising of 16 intrapreneurs in June 2017. I attended the final and was inspired by the level of innovation presented to the judges. It highlighted to me that the programme adopted by the Charities has the potential to drive real change and innovation with those organisations who have adopted the programme. It was also good to see not only great collaboration within the charities but also between them.

Since year end, we are continuing with success and growth, extending to work with 11 organisations, training an additional 80 enablers and 27 judges. We supported a further 69 Intrapreneurs and their ideas, helping them secure over £195,000 of investment.

I am very pleased to report that in 2016, Renfrewshire Council became our first public sector partner. Following our year end in May 2017 we had a record number of finalists with the Council with some real innovation from new found intrapreneurs. Renfrewshire Council will launch its second programme increasing its reach from 700 to 2,000 staff in November 2017. As we go to press with this report, Stirling Council has just become the second local authority to partner with The Lens and I am confident we will see further growth in public sector.

We have evidenced how The Lens can impact positively on public sector reform and will work closely with the Scottish Government to enhance this. We are particularly keen to see how The Lens can promote greater collaboration across third, public and private sector.

The Lens has proven its value and impact and we have ambitions to grow further, releasing the creativity and talent in our organisations to improve peoples' lives. Our first independent evaluation report was published in October 2016. This provides clear evidence that The Lens promotes a culture of innovation, engages the workforce and builds momentum for change, developing people and ideas. It is in the spirit of Scotland CAN DO which seeks to build a culture of entrepreneurship and innovation at all levels of society.

I would like to thank my fellow Board members, the Scottish Government, William Grant Foundation, Robertson Trust, our partner organisations, Bob Keiller at AB15 and Espark for all their support.

Finally, the team led by Chief Executive Steve McCreadie have done a fantastic job in delivering programmes to 4 third sector partners in the year under review, our first full year, with £60,000 investment awarded to the most innovative ideas. As we go to press, The Lens has helped secure a total of £255,000 including £105,000 of match funding, awarded to 82 intrapreneurs in 11 partner organisations. Importantly, many of the intrapreneurs also secured senior leaders sponsorship and in-kind support, helping the crucial implementation phase.

The team under Steve's guidance has grown in confidence during our first full year and I congratulate them all on what they have delivered and commend them for their dedication and commitment.

Ken Barclay
Chair, The Lens

The Lens

Report of the Trustees for the Year Ended 5 April 2017

FINANCIAL REVIEW

Financial position

The charity received total income in the year of £281,472 (2016: £164,877). There was a net inflow of funds of £16,571 (2016: £32,645). A total of £44,130 (2016: £22,645) unrestricted funds and £5,086 (2016: £10,000) restricted funds were available at the 5 April 2017.

Reserves policy

The Lens is a very newly established charity. In its first full year it has grown and we are committed to long term growth and sustainability. The Board is developing a policy on reserves, and as an intermediary measure is committed to ensuring a minimum of three months running costs are held in reserve.

Funds in deficit

At 5 April 2017 no funds were in deficit (2016: none).

FUTURE PLANS

We've proven The Lens works, and we've seen the fantastic ideas from the intrapreneurs begin to turn into action. These have proved beyond doubt that if we provide the right platform and support for people, creativity and innovation exists in abundance. Our challenge is to release and then harness that energy.

We will continue to grow The Lens, reaching more people and helping achieve our mission to improve peoples lives through intrapreneurship. We also aim to promote collaboration across sectors, building on the shared programme model to bring differing sectors together, promoting new thinking and approaches.

The Lens has proven it can play a valuable role in public sector reform, and this has been highlighted to Scottish Government by our local authority partners. We will work closely with Government to look at how this could be enhanced further.

The Lens was only constituted in October 2015, having being spun out of a large children's charity in April 2015, so we are still relatively young. Thanks to a strong Board and dynamic team we have made a great deal of progress in a short time.

I am excited to see what the future holds, and we are developing new programmes and ideas. In particular we are looking at how to strengthen the voices of people in communities in our work.

I would like to express my thanks to Ken Barclay, our Chair, the Board and the Lens team, whose skill, drive, determination and good humour has been invaluable. Most importantly, I want to thank the intrapreneurs whose passion and desire to improve peoples lives, carries them through each Lens programme and enables them to turn their ideas into action.

Steve McCreadie
CEO, The Lens

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a Scottish Charitable Incorporated Organisation (SCIO), incorporated on 2 October 2015.

Organisational structure

The Trustees agree the strategy of the Trust and areas of activity for the Trust, including considering risk management, policies and performance. The day to day administration of charity's, expenditure including payments, the account function and general Trust administration is overseen by Steve McCreadie - Chief Executive.

The Trustees who held office during the year under review were:

Ken Barclay
Margaret Gibson
Callum Stuart
Janice West

The Lens

Report of the Trustees
for the Year Ended 5 April 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New Trustees joining the Board are invited to a briefing meeting on their obligations under charity law, as well as the contents of the trust deed. Trustees are also provided with a copy of the Office of Scottish Charity Regulator's (OSCR) 'Guidance for Charity Trustees'.

FUNDS HELD AS CUSTODIAN FOR OTHERS

No funds were held as custodian for other during the period ended 5 April 2017.

Approved by order of the board of trustees on and signed on its behalf by:

.....
K Barclay - Trustee

Independent Examiner's Report to the Trustees of
The Lens

I report on the accounts for the year ended 5 April 2017 set out on pages seven to thirteen.

Respective responsibilities of trustees and examiner

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

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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

Paul Mannings CA
Institute of Chartered Accountants of Scotland
A H & Co Ltd
Chartered Accountants
6 Logie Mill
Edinburgh
Lothian
EH7 4HG

Date:

The Lens

Statement of Financial Activities
for the Year Ended 5 April 2017

	Notes	Unrestricted funds £	Restricted funds £	Year Ended 5.4.17 Total funds £	Period 2.10.15 to 5.4.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		200,000	35,000	235,000	164,877
Other trading activities	2	46,397	-	46,397	-
Investment income	3	75	-	75	-
Total		<u>246,472</u>	<u>35,000</u>	<u>281,472</u>	<u>164,877</u>
EXPENDITURE ON					
Charitable activities					
Core activities		210,829	39,914	250,743	104,653
Governance costs		14,158	-	14,158	27,579
Total		<u>224,987</u>	<u>39,914</u>	<u>264,901</u>	<u>132,232</u>
NET INCOME/(EXPENDITURE)		<u>21,485</u>	<u>(4,914)</u>	<u>16,571</u>	<u>32,645</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>22,645</u>	<u>10,000</u>	<u>32,645</u>	<u>-</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>44,130</u></u>	<u><u>5,086</u></u>	<u><u>49,216</u></u>	<u><u>32,645</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Lens

Balance Sheet
At 5 April 2017

	Notes	Unrestricted funds £	Restricted funds £	5.4.17 Total funds £	5.4.16 Total funds £
FIXED ASSETS					
Tangible assets	7	13,922	-	13,922	13,058
CURRENT ASSETS					
Debtors	8	1,279	-	1,279	21,087
Cash at bank		44,334	50,086	94,420	-
		<u>45,613</u>	<u>50,086</u>	<u>95,699</u>	<u>21,087</u>
CREDITORS					
Amounts falling due within one year	9	(15,405)	(39,575)	(54,980)	(1,500)
NET CURRENT ASSETS					
		<u>30,208</u>	<u>10,511</u>	<u>40,719</u>	<u>19,587</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		44,130	10,511	54,641	32,645
CREDITORS					
Amounts falling due after more than one year	10	-	(5,425)	(5,425)	-
NET ASSETS					
		<u>44,130</u>	<u>5,086</u>	<u>49,216</u>	<u>32,645</u>
FUNDS					
Unrestricted funds	11			44,130	22,645
Restricted funds				5,086	10,000
TOTAL FUNDS					
				<u>49,216</u>	<u>32,645</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
K Barclay -Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computer equipment - 33.33% on cost

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Taxation

The charity is exempt from tax on its charitable activities.

Irrecoverable VAT

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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.

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Notes to the Financial Statements - continued
for the Year Ended 5 April 2017

2. OTHER TRADING ACTIVITIES

	Year Ended 5.4.17 £	Period 2.10.15 to 5.4.16 £
The Lens programme	41,297	-
Other income	5,100	-
	<u>46,397</u>	<u>-</u>

3. INVESTMENT INCOME

	Year Ended 5.4.17 £	Period 2.10.15 to 5.4.16 £
Deposit account interest	75	-
	<u>75</u>	<u>-</u>

4. SUPPORT COSTS

		Governance costs £
Governance costs		14,158
		<u>14,158</u>

Support costs, included in the above, are as follows:

Governance costs

	Year Ended 5.4.17 £	Period 2.10.15 to 5.4.16 £
	Governance costs	Total activities
Accountancy	1,200	1,200
Independent examiners fees	300	300
Consultancy fees	1,866	16,553
Management fees	-	9,526
Professional fees - financial reporting	4,092	-
Wages	6,700	-
	<u>14,158</u>	<u>27,579</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 5 April 2017 nor for the period ended 5 April 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 5 April 2017 nor for the period ended 5 April 2016 .

The Lens

Notes to the Financial Statements - continued
for the Year Ended 5 April 2017

6. STAFF COSTS

The average monthly number of employees during the year was 2.6 (2016: 2).

One (2016: nil) employee received emoluments between £60,000 to £70,000.

7. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 6 April 2016	15,738
Additions	8,065
	<hr/>
At 5 April 2017	23,803
	<hr/>
DEPRECIATION	
At 6 April 2016	2,680
Charge for year	7,201
	<hr/>
At 5 April 2017	9,881
	<hr/>
NET BOOK VALUE	
At 5 April 2017	13,922
	<hr/>
At 5 April 2016	13,058
	<hr/> <hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.17 £	5.4.16 £
Other debtors	-	20,451
Prepayments	1,279	636
	<hr/>	<hr/>
	1,279	21,087
	<hr/> <hr/>	<hr/> <hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.17 £	5.4.16 £
Trade creditors	7,342	-
Social security and other taxes	3,259	-
Pension creditor	249	-
Other creditors	755	-
Deferred income	39,575	-
Accrued expenses	3,800	1,500
	<hr/>	<hr/>
	54,980	1,500
	<hr/> <hr/>	<hr/> <hr/>

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Notes to the Financial Statements - continued
for the Year Ended 5 April 2017

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	5.4.17	5.4.16
	£	£
Deferred income	5,425	-
	<u>5,425</u>	<u>-</u>

The £45,000 deferred income was received from William Grant Foundation and will be disbursed in subsequent financial years.

11. MOVEMENT IN FUNDS

	At 6.4.16	Net movement in funds	At 5.4.17
	£	£	£
Unrestricted funds			
General fund	22,645	21,485	44,130
Restricted funds			
National Lottery	10,000	(9,914)	86
William Grant Foundation	-	5,000	5,000
	<u>10,000</u>	<u>(4,914)</u>	<u>5,086</u>
TOTAL FUNDS	<u>32,645</u>	<u>16,571</u>	<u>49,216</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	246,472	(224,987)	21,485
Restricted funds			
Robertson Trust	30,000	(30,000)	-
William Grant Foundation	5,000	-	5,000
National Lottery	-	(9,914)	(9,914)
	<u>35,000</u>	<u>(39,914)</u>	<u>(4,914)</u>
TOTAL FUNDS	<u>281,472</u>	<u>(264,901)</u>	<u>16,571</u>

The Lens

Notes to the Financial Statements - continued
for the Year Ended 5 April 2017

12. RELATED PARTY DISCLOSURES

<u>Related Party</u>	<u>Transaction Type</u>	<u>Transaction in year ended</u> <u>5.4.17</u> (£)	<u>Balance</u> <u>receivable from</u> <u>/(payable to)</u> <u>related party at</u> <u>5.4.17</u> (£)	<u>Balance</u> <u>receivable from/</u> <u>(payable to)</u> <u>related party at</u> <u>5.4.16</u> (£)
Aberlour Child Care Trust	Donations	nil (2016: 164,887)	nil	21,822
	Reimbursed charitable activities	89,557 (2016 (116,976))	nil	(1,371)
	Support costs	nil (2016: (26,079))	nil	nil

S McCreadie, Chief Executive Officer of The Lens was on secondment from Aberlour to the Lens during the year. He became a full time employee of the Lens on 1 April 2017.

13. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

14. FIRST YEAR ADOPTION

Transitional relief

These are the first financial statements that comply with FRS 102 (Section 1A). The Trust transitioned to FRS102 (Section 1A) on 2 October 2015.

No transitional adjustments were required in equity or profit or loss for the year.