

REGISTERED COMPANY NUMBER: 03298755 (England and Wales)
REGISTERED CHARITY NUMBER: 1064180

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2019
FOR
RELATE CHESHIRE AND MERSEYSIDE**

Ainsworths Limited
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

RELATE CHESHIRE AND MERSEYSIDE

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FOR THE YEAR ENDED 31ST MARCH 2019**

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Welcome to Relate Cheshire & Merseyside's Annual Report for 2018-19

This year saw our successful expansion in to parts of Greater Manchester; which has meant that more people, across a diverse range of communities, have been able to access our services. The Board of Trustees have been delighted with the impact this had in terms of increasing access to relationship support, and intend to build on this success through the expansion of our services across the whole of Greater Manchester in 2019-20.

In addition to our core counselling provision, we have continued our collaboration with other agencies, to ensure that our services can be accessed by the most vulnerable in our communities. To further support this strand of our work, we aim to achieve a sustainable financial model for our core counselling service in 2019-20, which will provide a secure base from which we can support new developments and partnership working.

As in previous years, our successes are directly linked to the quality and commitment of our workforce. Expansion of services through increased provision for vulnerable groups and geographical spread has demonstrated, once again, the levels of expertise our staff possess.

Supporting this activity, the Board of Trustees has provided strategic support and guidance whilst undergoing a number of changes. We have welcomed four new Trustees, who bring a significant level of expertise across key areas for us, and two existing Trustees have moved on to new opportunities.



L Knight
Chair

RELATE CHESHIRE AND MERSEYSIDE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2019

The Trustees who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2019. 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

Our Vision

A future where healthy relationships are actively promoted as the heart of a thriving society.

Our Mission

To make expert information and support for healthy relationships available to everyone.

We deliver services across Cheshire and Merseyside, and have recently expanded our territory to include the Greater Manchester. Our work supports people to develop and maintain healthy, happy relationships, and we provide a range of relationship support services including:

Relationship Counselling

Relationship counselling is for couples and individuals, straight or gay, who want some help with their relationship. From the small worries to life changing upheavals and heartaches, we know that relationships are the most important things in our lives - our help can make a massive difference. In addition to our face-to-face services, telephone counselling is also available.

Sex Therapy

Relate sex therapy is a special type of counselling that helps couples and individuals facing difficulties in their sex lives.

Family Counselling

Relate counselling helps families who are struggling to understand where things might have gone wrong for them and to take steps to sort out problems.

Young People's Counselling

Relate's young people's service supports the wellbeing of young people through confidential counselling in schools and other locations.

In addition to our core counselling services we deliver targeted counselling and group-work projects under contract. Current examples include the Flourish Programme which we deliver at HMP Styal to support female prisoners who have experienced past domestic abuse and/or sex working, and our counselling service for vulnerable parents delivered across Family Well-being Centres in Sefton. Our clinical team is also able to offer supervision and training courses in a wide range of settings.

Public Benefit

Our Trustees and staff work together to draw up our strategy and business plan, taking account throughout the process of the Charity Commission's guidance on public benefit. Later sections of the report illustrate progress made during the year, but we draw particular attention under this heading to:

- Our bursary scheme enabling those on benefits or low incomes to access counselling;
- Subsidised counselling sessions including discounted appointments at less popular times;
- Ongoing work to gather feedback from clients and measure the difference we make to their lives and relationships.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2019**

ACHIEVEMENT AND PERFORMANCE

Relationships

For most of us, our relationships are what matters most, and they are fundamental to our well-being:

- The Office for National Statistics Measuring Well-being programme has established that relationships are important in our everyday lives and are central to our well-being.
- There is an unequivocal association between couple relationship breakdown and adult mental and physical ill health.
- Adults in healthy relationships live longer, report fewer health problems, and use health services less.
- People with strong relationships are 50% more likely to survive life-threatening illness than people with weaker ones.
- People in good quality marriages have lower blood pressure compared to those in poorer quality marriages.
- There are strong associations between couple relationship breakdown and poor child outcomes including poverty, physical and psychological ill health, lower educational achievement, substance misuse, and behavioural problems, which for some children extend into social and economic disadvantage later in life.

Relationships are changing, increasing the need for relationship support:

- Fewer people are getting married and are doing so later.
- Cohabitation is the fastest growing family formation and carries greater risk of breakdown than marriage.
- The number of families involving step relationships is growing.
- 42% of marriages are ending in divorce.
- Divorce rates are falling for most age groups but are increasing for the over 60s.
- More people are experiencing loneliness, lack of intimacy, poor work / life balance and financial worries.
- The UK has the highest levels of lone parenting and family breakdown in the developed world and relationships are under increasing pressure - relationship breakdown costs the UK economy £46 billion each year.
- 48% of all children born today will see the breakdown of their parents' relationship.

We know that relationship support is needed. Relate research has found that nearly 3 million people in the UK are in distressed relationships; 1.4 million families at breaking point.

And we know that relationship support works. It has been proven to improve relationship quality, parenting skills, and health and well-being, and to reduce conflict, separation and stress. And an evaluation of relationship support services commissioned by the Department for Education demonstrated that through the prevention of relationship breakdown, Relate couple counselling work delivers an estimated £11.40 of benefit for every £1 spent on it.

We also know that for many of those that need help with their relationships, the cost of paying for counselling is unaffordable, demonstrating the importance of making available subsidised and/or free services to ensure accessibility. 41% of Relate website users on lower household incomes said that they had sought relationship counselling but either didn't go ahead or dropped out early because of the cost.

Our Work and the Difference it Makes

We are proud to deliver high-quality, evidence-based services that tackle issues including distressed relationships, domestic abuse, separation and divorce, mental health / emotional well-being, and troubled / priority families. In 2018-19:

- 94% of our clients reported that we helped to resolve the difficulties that brought them to counselling.
 - 93% of our clients said they would recommend Relate to others.
 - 92% of our clients reported that throughout their counselling they felt heard, understood and respected by their counsellor.
 - At the start of counselling, only 22% of clients felt that communication within their relationship was effective, but by the end of counselling this figure had risen to 68%.
 - At the start of counselling, only 15% of clients were happy with the way they managed disagreements within their relationship, and by the end of counselling this figure had risen to 68%.
 - At the end of counselling 70% of parents were happy with the way they were co-parenting (up from 48% at the start).
 - After receiving counselling, 70% of clients were happy in their relationship overall (up from 24% at the start), and 80% reported feeling close to their partner (up from 34%).
 - At the start of counselling only 44% of clients rated their individual well-being good, and after receiving our support this figure rose to 80%.
-

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2019**

ACHIEVEMENT AND PERFORMANCE

Some comments made by clients include:

- Fantastic service that really helped me through a very challenging time in my life. I would highly recommend it and think it was money well spent. My counsellor was fantastic, and made me feel at ease, despite the difficult nature of conversations that needed to be had. Thank you!
- It helped manage the separation in what I felt was a "safe space" thank you.
- I am very surprised at the difference just talking about issues can make.
- Very good. Made me look at myself and my wife in a different way. Really feel we'll communicate better in future. Thank you!
- The counselling was very helpful. I didn't know what to expect and was a bit sceptical, but it does seem to be working.
- Counselling has really helped us to communicate and resolve issues effectively. Thank you.
- I cannot speak highly enough of the counsellor and Relate. I was terrified going into the experience but ended by feeling like it added so much value to the issues we were experiencing.

Outcomes of our work with vulnerable parents in Family Well-being Centres include:

- Parents taking steps to control / manage their own anxiety or depression (100%).
- Increased individual wellbeing (80%).
- Increased understanding of the negative impact of conflict on children (85%).
- Improved communication and reduced conflict between parents (72%).

Highlights from the impact data from our Flourish Programme at HMP Styal are:

- Women completing the programme experience a significant improvement in their mental well-being. The Warwick-Edinburgh Mental Well-being Scale (WEMWBS) is used to measure mental well-being at the start and end of the programme. The average score at the start of the programme is 42.8 and by the end of the programme this has risen to 52.4. The national average score for women in England is 49.6.
- The programme contributes to improved decision-making and commitment to change. 100% of women completing the programme feel confident that they will make choices that will lead to a more positive future. After completing the programme, 62% feel confident that they would "probably" or "definitely" seek support from agencies with any problems they might have in the future, up from 22% at the start of the programme.
- Women completing the programme have increased self-esteem. At the start of the programme, 35% report feeling "very low" or "a bit down", and this figure has reduced to zero by the end of the programme. Having done the work, 76% say they are feeling "good" or "very good" about themselves, up from 34% from the start of the programme.
- The programme contributes to improved parenting and relationship skills. 100% of mothers completing the programme feel more confident about their skills as a parent and feel that they have learnt new skills that will enable them to protect their children. Having completed the programme, 100% feel completely or mostly confident that they can keep themselves safe in relationships, up from 61% at the start of the programme.

Year on year, we are reaching and helping more and more people: 3,711 in 2018-19; a 20% increase over 5 years from 2012-13, due to the gradual expansion of our core counselling service.

Achievements and Performance

In our 2017-18 annual report, we set out 5 strategic priority areas to focus our development. This is what we have achieved within each of them:

Financial Viability and Sustainability

Following a return to a small surplus in 2017-18 after successive deficits in the period 2011-16, a deficit budget was set for 2018-19 following the loss of a large contract with Cafcass and cost increases in a number of areas. The expansion that has been started into Greater Manchester was agreed after the budget was set, and despite the investment required in this, the position achieved is better than budgeted, demonstrating the benefit of expansion, and based on this we have secured finance from First Ark Social Investment to support further growth.

RELATE CHESHIRE AND MERSEYSIDE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2019

ACHIEVEMENT AND PERFORMANCE

Development and Income Generation

In addition to the developments mentioned above, we have secured additional funding to expand for our service to vulnerable families based in Family Well-being Centres in Sefton. Our new Flourish Programme based at HMP Styal has been commissioned for a further year by the Community Rehabilitation Company. We also continue to increase our income from retail and fundraising events, and our bursary scheme for counselling clients on benefits and low incomes continues to operate across our territory, including Greater Manchester now in addition to Cheshire and Merseyside.

Impact, Communications and Promotion

As reported above, our outcome measurement tools continue to reveal positive results. Alongside feedback from clients and service users, this enables us to better understand our services and their impact. Promotional activity has been maintained at a good level with support from Relate National.

Internal Issues

We have continued with ongoing improvements to our office and information management systems, and with work to improve and update policies and procedures. To support the growth of the charity have also begun to expand our business support team and develop a programme of efficiencies and improvements in this area.

Quality

We continue to work at level two within the PQASSO quality assurance standard, and to operate effective supervision systems to ensure high-quality clinical practice and service delivery. We have done some important development work this year on suicide risk and support, and provided enhanced guidance and training to counsellors in this area.

Reference material used in the preparation of this report:

Measuring National Well-being: Our Relationships, Office for National Statistics, 2015.
The Best Medicine: The Importance of Relationships for Health and Well-being, Relate and New Philanthropy Capital, 2015.
Impact of Family Breakdown on Children's Well Being, Thomas Coram Research Unit. 2009.
Marriages in England and Wales: 2015, Office for National Statistics.
Families & Households in the UK: 2016, Office for National Statistics.
Divorces in England & Wales: 2017, Office for National Statistics.
The Way We Are Now: The State of the UK's Relationships, Relate, Relationships Scotland and Marriage Care, 2017.
Counting the Cost of Family Failure - 2016 Update, Relationships Foundation.
Family Breakdown in the UK, Benson, 2010.
Relationship Distress Monitor, Relate, 2016.
Relationship Support Interventions Evaluation, Department for Education, 2014.
Invest in Relationships, Relate and BACP, 2018.

FINANCIAL REVIEW

Financial Position

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Principal Funding Sources

Relate Cheshire & Merseyside's main source of income is payments and contributions from counselling clients. Some work is also carried out under contract, Halton Borough Council continues to provide support in the form of a grant, and a small number of other grants and donations are received. A small income is also received from the two charity shops in Northwich and Warrington and from fundraising events.

RELATE CHESHIRE AND MERSEYSIDE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2019

FINANCIAL REVIEW

Investment Policy and Objectives

The Trustees aim to keep the minimum level of reserve funds identified within the reserves policy above invested in a high interest account or fixed term bond. Following loss of grant funding in recent years the Trustees continue to draw on remaining reserve funds as part of plans to reorganise the charity and establish it on a sustainable footing.

Reserves Policy

The Trustees believe that the minimum level of reserves held by the charity should be sufficient to cover the cost of unplanned closure associated with the charity's business model and financial forecasts. Liabilities are reviewed annually to ensure that this is the case and that the level of reserves held is sufficient to enable an orderly closure if it ever becomes necessary, minimising any adverse impact on beneficiaries, staff, and volunteers.

FUTURE PLANS

Trustees have recently undertaken a strategic review of the charity and identified the following goals as our 3 highest priorities for the period 2019-24:

- Make relationship support available to everyone who needs it across Cheshire, Merseyside and Greater Manchester.
- Achieve a sustainable financial model for our core counselling service, providing a secure base from which we can identify additional funds to support new developments and areas of work.
- Increase our social impact by reaching more vulnerable groups and through greater collaboration with other agencies.

In line with our vision and mission set out above, our ambition is to be a well-known, thriving local charity with future-proof services that ensure relationship support is available to everyone who needs it.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Relate Cheshire & Merseyside is a charity and a company limited by guarantee. It is governed by its Articles of Association. Members vote to elect Trustees onto an Executive Committee. The Executive or Board of Trustees meets 4 times per year. Vacancies are advertised as they arise and on appointment new Trustees are provided with a comprehensive induction. Ongoing training is also made available. The Chair leads a board appraisal process every two years (one has taken place this year).

Day to day responsibility is delegated to the Chief Executive, who is responsible to the Trustees and works closely with the Chair and Treasurer. Relate Cheshire & Merseyside is a member organisation of the national Relate Federation, and following allocation of the territory of Greater Manchester by Relate National, now also operates under the trading name Relate Greater Manchester.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company Number

03298755 (England and Wales)

Registered Charity Number

1064180

Registered Office

1st Floor
151 Dale Street
Liverpool
L2 2AH

RELATE CHESHIRE AND MERSEYSIDE

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2019**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

K Bliss

L Knight

J L Bliss

M G Funnell

N Dean

S Harrison

G J Seddon

H M Price

K P Bounds

Treasurer

Chair

- appointed 6.9.2018

- appointed 6.9.2018

- appointed 6.9.2018

- resigned 1.6.2018

Company Secretary

S A Hall

Independent Examiner

Mark Sunter FCA

Institute of Chartered Accountants in England and Wales

Ainsworths Limited

Charter House

Stansfield Street

Nelson

Lancashire

BB9 9XY

Approved by order of the board of Trustees on 5th September 2019 and signed on its behalf by:



L Knight - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RELATE CHESHIRE AND MERSEYSIDE

Independent Examiner's Report to the Trustees of Relate Cheshire and Merseyside ('the Company')

I report to the charity Trustees on my examination of the accounts of the Company for the year ended 31st March 2019.

Responsibilities and Basis of Report

As the charity's Trustees of the Company (and also its Directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



Mark Sunter FCA
Institute of Chartered Accountants in England and Wales
Ainsworths Limited
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

5th September 2019

RELATE CHESHIRE AND MERSEYSIDE**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2019**

		31.3.19	31.3.18
		Unrestricted	Total funds
		funds	
	Notes	£	£
INCOME FROM			
Donations and legacies	2	1,822	2,675
Charitable activities	5		
Counselling and training		338,100	373,835
Other trading activities	3	85,199	80,554
Investment income	4	2,111	1,759
Other income		-	890
Total		427,232	459,713
 EXPENDITURE ON			
Raising funds	6	70,014	67,865
Charitable activities	7		
Counselling and training		412,973	391,013
Total		482,987	458,878
 NET INCOME/(EXPENDITURE)		(55,755)	835
 RECONCILIATION OF FUNDS			
Total funds brought forward		176,478	175,643
 TOTAL FUNDS CARRIED FORWARD		<u>120,723</u>	<u>176,478</u>

The notes form part of these financial statements

RELATE CHESHIRE AND MERSEYSIDE

**BALANCE SHEET
AT 31ST MARCH 2019**

		31.3.19	31.3.18
		Unrestricted	Total funds
		funds	
	Notes	£	£
FIXED ASSETS			
Tangible assets	14	2,669	1,718
CURRENT ASSETS			
Stocks	15	12,493	9,433
Debtors	16	27,471	42,237
Cash at bank		<u>127,175</u>	<u>148,406</u>
		167,139	200,076
CREDITORS			
Amounts falling due within one year	17	(49,085)	(25,316)
NET CURRENT ASSETS		<u>118,054</u>	<u>174,760</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>120,723</u>	<u>176,478</u>
NET ASSETS		<u><u>120,723</u></u>	<u><u>176,478</u></u>
FUNDS	19		
Unrestricted funds:			
General fund		115,083	169,438
Designated fund		<u>5,640</u>	<u>7,040</u>
		<u>120,723</u>	<u>176,478</u>
TOTAL FUNDS		<u><u>120,723</u></u>	<u><u>176,478</u></u>

The notes form part of these financial statements

RELATE CHESHIRE AND MERSEYSIDE

**BALANCE SHEET - CONTINUED
AT 31ST MARCH 2019**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2019 in accordance with Section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 5th September 2019 and were signed on its behalf by:



K Bliss -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of Preparing the Financial Statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

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. The following specific policies are applied to particular categories of income:

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Clothing and other items donated for resale through the charity's shop are included as income within other trading activities when they are sold.

Investment income is included when receivable.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions, it is recognised as earned (as related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

On occasions where the charity received assistance in the form of donated facilities, and the benefit is quantifiable and material, an appropriate amount is included in income and an equivalent amount as expenditure under the relevant heading. The value of services provided by volunteers has not been included in these accounts.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019

1. ACCOUNTING POLICIES - continued**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

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost and 20% on reducing balance
Computer equipment	- 20% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension Costs and Other Post-retirement Benefits

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

2. DONATIONS AND LEGACIES

	31.3.19	31.3.18
	£	£
Donations and gifts	<u>1,822</u>	<u>2,675</u>

3. OTHER TRADING ACTIVITIES

	31.3.19	31.3.18
	£	£
Fundraising events	10,136	11,565
Shop income	<u>75,063</u>	<u>68,989</u>
	<u>85,199</u>	<u>80,554</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019

4. INVESTMENT INCOME

	31.3.19	31.3.18
	£	£
Deposit account interest	<u>2,111</u>	<u>1,759</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.19	31.3.18
		£	£
Client contributions	Counselling and training	323,100	364,835
Grants	Counselling and training	<u>15,000</u>	<u>9,000</u>
		<u>338,100</u>	<u>373,835</u>

Grants received, included in the above, are as follows:

	31.3.19	31.3.18
	£	£
Halton Borough Council	9,000	9,000
Medicash	<u>6,000</u>	<u>-</u>
	<u>15,000</u>	<u>9,000</u>

6. RAISING FUNDS

Other Trading Activities

	31.3.19	31.3.18
	£	£
Operating charity shops	36,643	36,905
Staff costs	29,403	27,606
Staging fundraising events	3,968	2,994
Support costs	<u>-</u>	<u>360</u>
	<u>70,014</u>	<u>67,865</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 8)	Support costs (See note 9)	Totals
	£	£	£
Counselling and training	<u>397,628</u>	<u>15,345</u>	<u>412,973</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31.3.19	31.3.18
	£	£
Staff costs	270,538	271,147
Premises costs	72,635	58,475
Other running costs	18,729	17,539
Practitioner expenses	13,328	12,224
Training	5,393	5,420
ICT	11,812	9,281
Admin expenses	368	188
Supervisor expenses	1,607	1,865
Management expenses	3,218	1,511
Bad debts	-	467
	<u>397,628</u>	<u>378,117</u>

9. SUPPORT COSTS

	Other	Governance	Totals
	£	costs	£
	£	£	£
Counselling and training	<u>787</u>	<u>14,558</u>	<u>15,345</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.19	31.3.18
	£	£
Depreciation - owned assets	<u>787</u>	<u>1,672</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31st March 2019 nor for the year ended 31st March 2018.

Trustees' Expenses

There were no Trustees' expenses paid for the year ended 31st March 2019 nor for the year ended 31st March 2018.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019

12. STAFF COSTS

	31.3.19	31.3.18
	£	£
Wages and salaries	289,253	289,865
Social security costs	8,573	7,938
Other pension costs	<u>2,115</u>	<u>950</u>
	<u>299,941</u>	<u>298,753</u>

The average monthly number of employees during the year was as follows:

	31.3.19	31.3.18
Counselling	22	20
Counselling support	8	10
Management	<u>3</u>	<u>2</u>
	<u>33</u>	<u>32</u>

No employees received emoluments in excess of £60,000.

The remuneration of key management personnel during the year was £40,679.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME FROM	
Donations and legacies	2,675
Charitable activities	
Counselling and training	373,835
Other trading activities	80,554
Investment income	1,759
Other income	<u>890</u>
Total	459,713
EXPENDITURE ON	
Raising funds	67,865
Charitable activities	
Counselling and training	<u>391,013</u>
Total	458,878
NET INCOME/(EXPENDITURE)	835

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
funds
£

RECONCILIATION OF FUNDS

Total funds brought forward

175,643

TOTAL FUNDS CARRIED FORWARD

176,478

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1st April 2018	22,000	26,179	48,179
Additions	-	1,738	1,738
At 31st March 2019	<u>22,000</u>	<u>27,917</u>	<u>49,917</u>
DEPRECIATION			
At 1st April 2018	21,688	24,773	46,461
Charge for year	<u>105</u>	<u>682</u>	<u>787</u>
At 31st March 2019	<u>21,793</u>	<u>25,455</u>	<u>47,248</u>
NET BOOK VALUE			
At 31st March 2019	<u>207</u>	<u>2,462</u>	<u>2,669</u>
At 31st March 2018	<u>312</u>	<u>1,406</u>	<u>1,718</u>

15. STOCKS

	31.3.19 £	31.3.18 £
Stocks	<u>12,493</u>	<u>9,433</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19 £	31.3.18 £
Trade debtors	20,700	31,899
Other debtors	-	696
Prepayments and accrued income	<u>6,771</u>	<u>9,642</u>
	<u>27,471</u>	<u>42,237</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19	31.3.18
	£	£
Trade creditors	8,228	7,012
Social security and other taxes	3,788	3,736
Accruals and deferred income	<u>37,069</u>	<u>14,568</u>
	<u>49,085</u>	<u>25,316</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.19	31.3.18
	£	£
Within one year	14,224	39,846
Between one and five years	<u>50,063</u>	<u>61,125</u>
	<u>64,287</u>	<u>100,971</u>

19. MOVEMENT IN FUNDS

	At 1.4.18	Net movement in funds	At 31.3.19
	£	£	£
Unrestricted funds			
General fund	169,438	(54,355)	115,083
Designated fund	<u>7,040</u>	<u>(1,400)</u>	<u>5,640</u>
	176,478	(55,755)	120,723
	<u>176,478</u>	<u>(55,755)</u>	<u>120,723</u>
TOTAL FUNDS			
	<u>176,478</u>	<u>(55,755)</u>	<u>120,723</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	424,232	(478,587)	(54,355)
Designated fund	<u>3,000</u>	<u>(4,400)</u>	<u>(1,400)</u>
	427,232	(482,987)	(55,755)
	<u>427,232</u>	<u>(482,987)</u>	<u>(55,755)</u>
TOTAL FUNDS			
	<u>427,232</u>	<u>(482,987)</u>	<u>(55,755)</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2019

19. MOVEMENT IN FUNDS - continued

Comparatives for Movement in Funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted funds			
General fund	165,163	4,275	169,438
Designated fund	<u>10,480</u>	<u>(3,440)</u>	<u>7,040</u>
	175,643	835	176,478
TOTAL FUNDS	<u>175,643</u>	<u>835</u>	<u>176,478</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	456,713	(452,438)	4,275
Designated fund	<u>3,000</u>	<u>(6,440)</u>	<u>(3,440)</u>
	459,713	(458,878)	835
TOTAL FUNDS	<u>459,713</u>	<u>(458,878)</u>	<u>835</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	165,163	(50,080)	115,083
Designated fund	<u>10,480</u>	<u>(4,840)</u>	<u>5,640</u>
TOTAL FUNDS	<u>175,643</u>	<u>(54,920)</u>	<u>120,723</u>

RELATE CHESHIRE AND MERSEYSIDE

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST MARCH 2019

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	880,945	(931,025)	(50,080)
Designated fund	6,000	(10,840)	(4,840)
	<u>886,945</u>	<u>(941,865)</u>	<u>(54,920)</u>
TOTAL FUNDS	<u>886,945</u>	<u>(941,865)</u>	<u>(54,920)</u>

The Trustees have established a designated fund within the reserves to support the bursary scheme for counselling clients on low incomes or in exceptional financial circumstances.

20. PENSION COMMITMENTS

During the year ended 31 March 2019 the charge to the statement of financial activities in respect of defined contribution schemes was £2,115 (2018: £950). The amount owed at the end of the financial year was £Nil (2018: £Nil).

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2019.

22. COMPANY LIMITED BY GUARANTEE

Relate Cheshire and Merseyside is incorporated under the Companies Act as a company limited by guarantee. The liability of the members is limited to £1.

RELATE CHESHIRE AND MERSEYSIDE

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST MARCH 2019

	31.3.19 £	31.3.18 £
INCOME		
Donations and legacies		
Donations and gifts	1,822	2,675
Other trading activities		
Fundraising events	10,136	11,565
Shop income	<u>75,063</u>	<u>68,989</u>
	85,199	80,554
Investment income		
Deposit account interest	2,111	1,759
Charitable activities		
Client contributions	323,100	364,835
Grants	<u>15,000</u>	<u>9,000</u>
	338,100	373,835
Other income		
Other income	<u>-</u>	<u>890</u>
Total incoming resources	427,232	459,713
EXPENDITURE		
Other trading activities		
Operating charity shops	36,643	36,905
Wages	29,403	27,606
Staging fundraising events	<u>3,968</u>	<u>2,994</u>
	70,014	67,505
Charitable activities		
Wages	259,850	262,259
Social security	8,573	7,938
Pensions	2,115	950
Premises costs	72,635	58,475
Other running costs	18,729	17,539
Practitioner expenses	13,328	12,224
Training	5,393	5,420
ICT	11,812	9,281
Admin expenses	368	188
Supervisor expenses	1,607	1,865
Management expenses	3,218	1,511
Carried forward	397,628	377,650

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RELATE CHESHIRE AND MERSEYSIDE

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2019**

	31.3.19	31.3.18
	£	£
Charitable activities		
Brought forward	397,628	377,650
Bad debts	-	467
	397,628	378,117
Support costs		
Other		
Fixtures and fittings	787	1,672
Governance costs		
Relate - central fees	12,445	9,612
Trustee meetings and training	193	166
Independent examiner's fee	1,920	1,806
	14,558	11,584
Total resources expended	482,987	458,878
Net (expenditure)/income	(55,755)	835

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