

Relate Birmingham

**Annual Report and Financial Statements
Year ended 31 March 2023**

Charity Number : 1053946

Company Number : 03174040

**Feltons
Chartered Accountants**

**Birmingham
B1 3JR**

Relate Birmingham
REPORT AND FINANCIAL STATEMENTS
Year ended 31 March 2023

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Relate Birmingham

Reference and Administrative Details

Chair	Malcolm Pearson	
Trustees	Elizabeth Wyatt Andy Lee Pam Dhandra Paola Pedrelli Susan Thomas Malcolm Pearson Matthew Booton Ayola Beckford Christopher Price Ebony Findley Parminder Goray	(Resigned 17/8/23) (Resigned 17/8/23) (Appointed 16/8/23) (Appointed 16/8/23) (Appointed 16/8/23) (Appointed 16/8/23)
Company secretary	Ruth Levesley	
Key management personnel	Ruth Levesley Lisa Hale Christopher Moore	Chief Executive Service Manager Operations & Administration Manager
Registered office	111 Bishopsgate Street Birmingham B15 1ET	
Charity registration number	1053946	
Company registration number	3174040	
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR	
Bankers	CAF Cash Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ Co-Operative Bank plc PO Box 82 118/120 Colmore Row Birmingham B3 3BA	
Solicitors	Tyndallwoods 29 Woodbourne Rd Edgbaston Birmingham B17 8BY	
Patron	The Lord Mayor of Birmingham	

Relate Birmingham
TRUSTEES' REPORT
Year ended 31 March 2023

CHAIR'S REPORT

I said in last year's Chair's report, that I was delighted to report that finally we were moving positively forward after the most challenging two Pandemic years defending our organisation in line with most other charities and businesses. I am to be able to report that the progress has continued over this Financial Year

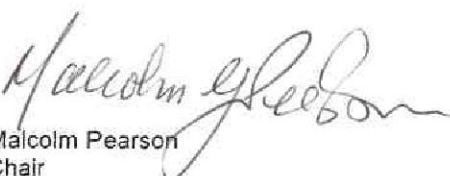
Much of the Board and Management's time is still being invested into development of future operations and planning whilst still being conscious of the need to progress cautiously following Covid.

As we continue the recovery and development phase with both our clients and staff I am once again mindful to record our appreciation to the Relate Birmingham team for their tremendous efforts, often in difficult circumstances.

Our team continue to look at new work initiatives and ways to deliver on new work proposals. Our management structure is being shaped for the future as business opportunities continue to expand into different areas. We are also looking at our premises portfolio and how best to use these facilities moving forward.

We are making progress back into traditional face to face counselling services for which there is still a significant demand. This is being done in ways to ensure the safety of both Relate employees and clients.

As previously, I am confident in the continued success of Relate Birmingham in the hands of our current team and look forward to our further achievement and development.



Malcolm Pearson
Chair

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published in October 2019.

Principal activity

The charitable objectives of the company (the Common Purpose Statement) are explained on page 9. The principal activity during the year was the provision of relationship support, delivered through counselling for individuals, couples, families and young people, psychosexual therapy, family mediation, child contact services and education and training work.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Relate Birmingham is a company limited by guarantee governed by its Memorandum and Articles of Association dated 23 October 2013 and is registered as a charity with the Charity Commission. There are currently eight members, each of whom agrees to contribute £1 in the event of the charity winding up. Membership is open to any person or Institution upon receipt at the Office of a signed application in writing in a form approved by the Executive unless the admission of the applicant to Membership would be prejudicial to the interest of the Centre.

Relate Birmingham is a constituent society of the national organisation of Relate and as such is bound by the memorandum and articles of association of Relate, the Relate membership agreements, standards for constituent status and other regulations in force at that time.

Appointment of the trustees

All directors of the company are also trustees. Trustees are elected from eligible members, by members, at the Annual General Meeting. The third longest serving Trustees stand down each year and may stand for re-election at the Annual General Meeting. The Trustees have the power to appoint and fill vacancies arising during the year.

Trustee induction and training

New trustees are briefed on their legal obligations under charity and company law and the Charity Commission guidance on public benefit and are informed of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the recent financial performance of the charity.

Organisation of charity

(a) Executive Committee (The Board of Trustees)

The board, which can have up to 18 members, is responsible for setting the policy of the charity and ensuring that all monies received are used for the objectives of the charity. There were seven members of the executive committee at 31 March 2023.

(b) Chief Executive

The Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and has delegated authority, within terms of delegations approved by the trustees for operational matters including finance, marketing, personnel and service delivery. The trustees and Chief Executive developed a business plan during the year, to which the Chief Executive has worked.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

(c) Support Staff

The Chief Executive was supported by the 1 Service Manager, 2 Supervisors, 1 Operations and Administration Manager, Office/Admin Co-ordinator and 3 part-time paid administrative staff covering Birmingham, Wolverhampton, Solihull, Walsall, Sandwell and Dudley and South Staffordshire. At the start of the year this included:

2 Supervisors	28 hours per week
1 Service Manager	37 hours per week
1 Operations and Administration Manager	37 hours per week
1 Office/Admin Co-ordinator	26 hours per week
3 P/T Administrative assistants	63 hours per week

Our centres were closed for most of the year due being shut during the Coronavirus pandemic. The Birmingham office is now used by the administration team.

(d) Counsellors

At 31 March 2023 there were twenty-four counsellors working between three and twenty hours per week. 15% of the total number of counselling sessions delivered was provided by counsellors on a voluntary basis.

(e) Family Team

At 31 March 2023 there were 4 Family Contact Workers and 1 Family Mediator.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a client or supplier must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Related party transactions in the current year are described in note 17 to the accounts.

Pay policy

The board of directors, who are trustees and the senior management team together comprise the key management personnel of the charity in charge of directing and operating the charity on a day to day basis. No director received remuneration in the year and details of directors' expenses and related party transactions are disclosed in note 7 to the accounts. The pay of staff is reviewed annually and, where finances permit, are increased in accordance with average earnings

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

Founded in 1946, Relate Birmingham is an independent, registered charity and a member of the national Relate Federation. We recognise relationships have difficulties and aim to support individuals, couples and families to build better relationships through the provision of counselling services, sex therapy and education and training.

At Relate Birmingham our mission is to:

- Deliver counselling and training services
- Enhance the quality of couple, family and parental relationships for adults, families and young people in Birmingham, Solihull, Sandwell, Walsall, Wolverhampton, Dudley and South Staffordshire.
- Work as part of the Relate Federation

OUR SERVICES

Relationship Counselling

Relationship Counselling is for couples and individuals who have come across issues in their personal relationships or need support in their role as parents. We help them cope with issues such as communication problems, impact of having a new baby, parenting and step-parenting, divorce and separation and improve their relationships with partners, children and relatives. Other issues we work with include domestic violence, adult survivors of sexual abuse and mental health issues. The service is available in our centres or via webcam or telephone for clients with mobility issues, childcare or caring responsibilities or work commitments.

Sex Therapy

Sex therapy is for people who have problems in their sexual relationships due to physical or emotional problems. People who come for sex therapy can be in a couple, single, in a same sex relationship, young or old. Many people are referred by their GP.

Family Counselling

Family Counselling addresses issues occurring in a family situation. This can include difficulties in communication between parents and children, differing parenting ideas causing friction within the family unit, blended families coping in bringing together a 'new' family, children and young people struggling with relationships or supporting family members recovering from the impact of abuse.

Children & Young People's Counselling

Time for You is our free service for children and young people aged 5-18 who are experiencing or have experienced changes in their family such as separation, divorce, step-families, absent parents/family members, illness, bereavement, and conflict. It also helps where this has had an impact on school, work or peer relationships and offers support to children and young people who may have any issues around the subject of bullying or domestic violence. It gives them an opportunity to be listened to and express their feelings.

Lifeskills, Training and Education Services

We have a small team of trainers who run a programme of relationship, parenting and lifeskills workshops for the public. We also provide accredited and tailored training courses for other professionals, voluntary groups or organisations supporting families.

Family Mediation

Mediators work with couples involved in family breakdown to make arrangements, either to plan for a separation or divorce, or once a separation or divorce has taken place. Mediation can help to settle disputes over contact and living arrangements, child maintenance, property and money, without having to go to court, paving the way to a smoother separation.

Child Contact

We work directly with children and families, referred to us by CAFCASS, in community settings to promote safe and beneficial contact between separated / non-resident parents and their children.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

During the year we have continued to provide services covering the area of Birmingham, Solihull, Wolverhampton, Dudley, Sandwell, Walsall and South Staffordshire.

- Since the Coronavirus pandemic, our premises have been mainly closed except for administration. Counsellors have worked remotely, providing sessions over webcam or phone and also delivered face to face community-based counselling and projects and increased our work in schools. We continue to monitor client numbers and we've responded and adapted to changes throughout the year.
- We have developed a 2 year strategic plan to March 2025 and recruited 4 new Trustees with diverse skills and experience to strengthen the Board.
- Through careful management and planning, we are rebuilding the counselling team. We've actively recruited new counsellors and we supported existing counsellors to train as supervisors or specialise in working with families. We are on track to provide face to face service delivery from June 2023.
- During 2022-23 we delivered 8165 hours of service and support, working directly with 2539 adults, young people and children, and indirectly benefitting a further 1756 children.
- Overall, we registered 1986 new cases and delivered 6780 hours of counselling. The impact of Coronavirus on clients' relationships, families and wellbeing was clear. Children and parenting issues increased further to 42% from 36% the year before. Mental health was an issue for 30% and domestic abuse was an issue for 16%.
- We believe services should be accessible to all. Many of our clients are on low incomes and 22% live in the most deprived areas. Concerns about work and money worries were an issue for 30% of clients, especially with the ongoing cost of living pressures and high fuel prices. Requests for free or low-cost counselling increased. We have continued to provide a subsidised service for clients who need it and a full bursary to support parents with severe financial difficulties. This year our subsidy rate is 50% on average.
- We also supported clients referred through national Relate benevolent funded counselling and mediation projects for army, navy and RAF personnel and bank workers, as well as retail and licencing trade employees.
- We piloted a relationship support service to NHS staff affected by the cost of living increase. We offered both one-off web chats as well as longer term counselling. We also provided counselling to patients with relationship and family issues referred by their GP.
- Our Time for You children and young people's service continued to develop. Our focus this year was delivering a new project to provide counselling to children and young people in Sandwell who's emotional well-being has been affected by the impact of Coronavirus. We also received ongoing support from Children in Need funding and provided counselling in primary schools and supervision support for college mentors.
- Our successful Relate Macmillan service, giving relationship support to anyone in our area affected by cancer and the project, came to an end in July 2022 after over 5 years.
- We offered counselling in a residential unit for parents undergoing assessment.
- Family Mediation continued to support separating or divorcing parents to reach agreement about their finances, property and child contact and delivered online and face to face meetings.
- We provided the ICFA service in our area, in partnership with Child Action North West. This service supports parents and children referred by CAFCASS to have safe and beneficial contact through tailored work plans and time-limited contact work. We achieved our NACCC Accreditation and recruited more family workers to join the team.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

Analysis of Activity	Year to March 2022	Year to March 2023	
Total number of hours work delivered:	6585	8165	
Relate Centres: 62% of work is self –referral and based in our Centres.			
Number of New Cases Registered for Counselling	1,630	1,521	
Total Hours of Counselling Appointments Given	4,800	4,994	
Total Hours Service Given	6,020	5073	
Relationship Counselling (including Macmillan)	82%	81%	
Sex Therapy	8%	8%	
Children & Young People's Counselling	4%	6%	
Family Counselling	3%	2%	
Training & Workshops	1%	-%	
Family Mediation	1%	3%	
Community Based & Commissioned Services: 38% of work is community based or commissioned.			
Total Hours Service Given	1,785	3092	
Primary Care/Health Counselling	47%	14%	
CYP CAMHS/School/Project Counselling	8%	36%	
Residential Centre	9%	5%	
Probation	9%	-%	
Supervision/Mentoring	2%	1%	
Child Contact Service	26%	44%	
Clients Information			
2539 adults, young people and children benefited directly from our services. 1756 children of adult clients benefited indirectly.			
Who We Worked With		Where They live	
Couples	32%	Birmingham	44%
Women	18%	Solihull	6%
Men	12%	Sandwell	12%
Families	2%	South Staffs	12%
Children/Young People	36%	Walsall	3%
		Dudley	8%
		Wolverhampton	8%
		Other	7%
Presenting Problems		Ethnicity	
Communication Difficulties	74%	White	68%
Children, Family, Parenting	42%	Asian/Asian British	15%
Work & Money Worries	30%	Black/African/Caribbean/Black British	9%
Separation and Divorce	23%	Mixed/Multiple Ethnic Groups	6%
Sexual Problems	27%	Other	2%
Physical Health	8%		
Mental Health	30%		
Affairs	20%		
Domestic Abuse	16%		
Impact of Past Relationships	20%		
Bereavement	12%		
Alcohol and Drug Misuse	8%		
Sexual Abuse	4%		
Caring Responsibilities	4%		
Relationship Status		Employment Status	
Married/Living together	61%	Full Time	55%
Separated/Divorced	14%	Part Time	13%
Single	8%	Self Employed	7%
None	15%	At Home	5%
Civil Partnership	2%	On Benefit	4%
		Retired	3%
		Student	13%

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

Summary Financial Information

How We Funded Our Services	£ 2022	£ 2023
Donations and Grants	45,331.	54,598
Local Authority	36,464	36,464
Client Contributions	121,480	145,321
Grants & Contracts	209,743	358,827
Education and Training	195	0
Family Mediation	5,538	5,120
Room Hire and Other Income	6,953	2,322
Average cost per counselling hour	55.64	57.85
Average client contribution per hour	29.78	28.54
Average subsidy made per client appointment	25.86	29.31
On average we subsidised clients by	46%	50%

FUTURE PLANS AND DEVELOPMENT

During the year we made significant progress and our aim is to build on this over the next year.

This year our objective is to make progress on building our organisation and developing services to meet the needs of clients and staff in the post pandemic world. This includes developing face to face and digital delivery, meeting the need for mental health support for adults, children and young people and ongoing support for the effect of cost-of-living rises.

In 2023/24 our priorities are to:

a) *Organisational Structure and Systems*

Develop the staff structure and recruit to management and admin roles to deliver the plan.
 Re-open the main centres and develop a network of delivery venues.
 Develop clinical leadership to maintain service quality and safety.
 Move to new online appointment booking system.

b) *Service Delivery*

Restart face to face counselling
 Increase counselling and reduce wait times, through recruitment and training.
 Develop services - individual counselling, CYP service in schools and meditation.
 Pilot new digital short intervention services e.g. livechat.

c) *Marketing & Income Generation*

Recruit a marketing post to increase digital marketing and raise our profile.
 Update our website and develop our branding.
 Increase grant income for our bursary and projects to support those in need.

d) *HR & Staff Development*

Improve HR processes, communication and meeting structure.
 Develop our staff support and wellbeing offer.
 Increase opportunities for volunteering.

COMMON PURPOSE STATEMENT

Relate's distinctive focus is the adult couple, recognising the benefits of this focus to the mental, physical and emotional health of adults and children involved. This focus recognises different cultural understandings of marriage and other couple relationships; and encompasses work with the adults, together or on their own, at any time in the life or ending of their relationship, whether the couple wish to stay together or separate.

Relate aims to deliver its services with cultural sensitivity and without discrimination.

Relate's objectives are

- to enhance the quality of couple, parental and family relationships
- to help avoid unnecessary relationship and family breakdown
- to limit the damage which commonly accompanies poor relationships, separation and divorce and increase the prospect of subsequent relationships succeeding

Relate's tasks are

- to aim to achieve these objectives by the provision of relationship counselling, sex therapy, education, training and related services, which are timely, evaluated and offer equal access and opportunity to all who can benefit from them.
- to influence opinion formers and government, through research and other means, in order that improvements are made in funding, social policy and the law and related public services.

Relate's work is based in the beliefs

- that an individual's physical well-being and emotional and mental health benefit from a committed relationship
- that the ability of both children and adults to develop and contribute effectively in society is directly related to the quality of their family relationships.
- that since family relationships change, second and split parent, step-family and cohabiting partnerships are no less a focus for Relate than first families.
- that expressing clear commitment is a helpful contribution to a healthy and secure couple relationship
- that the quality of couple and family relationships can be improved, avoidable breakdowns prevented and new relationships formed with the help of a trained counsellor.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

FINANCIAL REVIEW

The financial results of Relate Birmingham are detailed in the following pages. It is considered that the finances are sound and well established. The principal funding source is grant and contract income, followed by client contributions income and we have a diverse set of income streams. All expenditure of this income is planned to fulfil the objectives and strategies of the charity.

During the year ended 31 March 2023 total income received was £602,653 and total resources expended were £498,705 giving surplus income over expenditure of £103,948. Compared to the previous year, income increased due to obtaining new contracts and grant funded project work. Although our centre and staff costs increased and we carefully managed expenditure throughout the year and we now plan to recruit to new roles in 2023-24.

The principal risks and uncertainties and the plans and strategies adopted to manage these risks are described in the risk management section of the report below.

Investment powers and policy

The trustees have invested surplus funds with CAF Bank. The invested funds achieved an average interest rate of 0.64% which due to wider economic circumstances failed to achieve the rate of increase in the retail price index.

Reserves policy and going concern

The trustees consider that unrestricted funds should not exceed six months of resources expended. Unrestricted reserves amounted to £437,432 (2022 - £330,628). Current reserves are considered to be at a reasonable level as resources expended for the next six months are expected to be £442,000.

The Trustees have reviewed the Charity's need for reserves in line with guidance issued by the Charity Commission. Holding reserves allows the Charity to protect itself against any financial uncertainties, be able to operate despite gaps in funding income and provides a safeguard for the Charity's service commitments.

The reserves of the charity have been divided where appropriate into restricted, designated and general funds in accordance with charity legislation.

Restricted Funds

The restricted fund represents money given to Relate Birmingham for specific capital or project work. Our current restricted reserves are £397,152 and they include:

- The current value of the Bishopsgate Street property, which was purchased with a Community Fund grant of £330,238 in December 2001 and depreciates each year. This property was revalued at £250,000 in 2015.
- The Wolverhampton property, which was acquired in June 2014 at a value of £170,000.

Unrestricted Funds

The trustees' policy in respect of the monies held in the general fund is influenced by:

- Forecast levels of income in the ensuing year ;
- Forecast expenditure in the ensuing year on the basis of planned activity ;
- Funds designated for specific purposes ; and
- An analysis of any future needs, opportunities, contingencies or risks, the effects of which are not likely to be met from planned expenditure.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

Risk Management

The Trustees have a risk management process which comprises:

- An annual review of the principal risks and uncertainties that the Charity faces.
- The establishment of policies, systems and procedures to mitigate those risks identified in the annual review.
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. Key elements in the management of financial risk are a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of operational debtor and creditor balances to ensure sufficient working capital by the Trust.

Attention has also been focussed on non-financial risks arising from fire, health and safety, employment matters and data protection. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with 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 trustees 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.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2023

Directors

The following directors have held office during the year:

M Booton
P Dhanda
A Lee
M Pearson
P Pedrelli
S Thomas
E Wyatt

All directors of the company are also trustees. Trustees are elected from eligible members, by members, at the Annual General Meeting. The third longest serving Trustees stand down each year and may stand for re-election at the Annual General Meeting. The Trustees have the power to appoint and fill vacancies arising during the year.

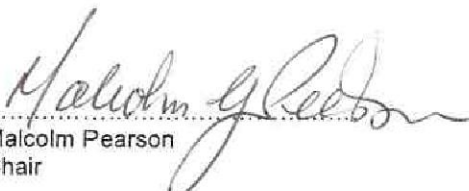
Statement as to disclosure to our auditors

The directors as set out above confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the Board


Malcolm Pearson
Chair

8 December 2023

Independent Auditor's Report to the Members of Relate Birmingham

Opinion

We have audited the financial statements of Relate Birmingham (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including 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 2023, and of its incoming resources and application of resources, including 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.

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 FRC'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Independent Auditor's Report to the Members of Relate Birmingham

(continued)

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' 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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities statement (set out on page 11), the trustees (who are also the directors of the charitable company for the purposes of company 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 trustees 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 trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Relate Birmingham

(continued)

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the company's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the company's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

14 December 2023

Relate Birmingham

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income					
<i>Voluntary income:</i>					
Donations and legacies	2	9,750	44,848	54,598	45,331
<i>Income from charitable activities:</i>					
Grant and contracts		167,620	227,672	395,292	253,135
Counselling income		150,441	-	150,441	127,018
Education and training		-	-	-	195
<i>Income from trading activities:</i>					
Supervision		1,000	-	1,000	-
Investment income	3	1,322	-	1,322	25
Total income		330,133	272,520	602,653	425,704
Expenditure					
<i>Costs of raising funds :</i>					
Room hire		6,922	-	6,922	6,925
Supervision		5,133	-	5,133	3,630
<i>Charitable activities:</i>					
Operational and support costs	4	211,274	275,376	486,650	403,589
Total expenditure		223,329	275,376	498,705	414,144
Net (expenditure) / income before transfers		106,804	(2,856)	103,948	11,560
Gross transfers between funds	13	-	-	-	-
Net movement in funds		106,804	(2,856)	103,948	11,560
Reconciliation of funds					
Total funds brought forward	13	330,628	400,008	730,636	719,076
Total funds carried forward		437,432	397,152	834,584	730,636

All of the charity's activities derive from continuing operations during the above two financial periods.

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

Relate Birmingham

Company Number : 03174040 / Charity Number : 1053946

BALANCE SHEET

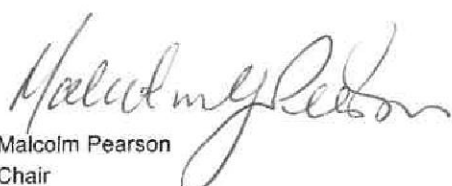
Year ended 31 March 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	9		400,663		401,713
Current assets					
Debtors	10	151,925		119,226	
Cash at bank and in hand		<u>528,078</u>		<u>342,358</u>	
		680,003		461,584	
Creditors: amounts falling due within one year	11	<u>246,082</u>		<u>132,661</u>	
Net current assets			433,921		328,923
Net assets			<u>834,584</u>		<u>730,636</u>
Funds of the charity :					
Restricted funds					
General fund	13		397,152		400,008
Unrestricted funds					
General fund	13		437,432		330,628
Total funds			<u>834,584</u>		<u>730,636</u>

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

The notes on pages 16 to 27 form part of these accounts.

The financial statements were approved and authorised for issue by the Trustees on 8 December 2023 and signed on their behalf by :


Malcolm Pearson
Chair

Relate Birmingham
STATEMENT OF CASH FLOWS
Year ended 31 March 2023

	Notes	2023 £	2022 £
Cash flow from operating activities	16	187,434	(44,790)
Net cash flow from operating activities		<u>187,434</u>	<u>(44,790)</u>
Cash flow from investing activities			
Acquisition of tangible fixed assets		(3,036)	-
Interest received		1,322	25
Net cash flow from investing activities		<u>(1,714)</u>	<u>25</u>
Net increase / (decrease) in cash and cash equivalents		185,720	(44,765)
Cash and cash equivalents at 1 April 2022		342,358	387,123
Cash and cash equivalents at 31 March 2023		<u>528,078</u>	<u>342,358</u>

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

Relate Birmingham is a charitable company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are provision of relationship support.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated

b) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for a period of 12 months from the date of authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

- **Grants receivable**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

- **Donated services and gifts in kind**

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

1. Accounting policies (continued)

c) Income recognition (continued)

- **Gifts in kind**
Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.
- **Interest receivable**
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- **Other income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- **Costs of generating funds**
These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- **Charitable activities**
These are costs incurred in activities undertaken to further the purposes of the charity and their associated support costs.
- **Governance costs**
These include the costs attributable to the trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the trust's work or for specific projects being undertaken by the trust.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

1. Accounting policies (continued)

f) Allocation of support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the use of resources.

g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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 systematic basis over its expected useful life as follows:

Freehold buildings	2% - 10% per annum
Fixtures, fittings and equipment	20% per annum

h) Investments

Surplus cash over and above what is considered necessary as working capital is invested in low to medium risk assets. Such assets must be diversified and may include cash if it is considered prudent. The object is to maintain value and keep pace with inflation while providing income for the use of the charity where possible. At the same time holding such funds for future capital expenditure as necessary.

i) Operating leases

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

j) Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

k) Pension benefits

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations	9,750	20,768	30,518	22,641
Grants	-	24,080	24,080	22,690
	<u>9,750</u>	<u>44,848</u>	<u>54,598</u>	<u>45,331</u>

3. Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Deposit account interest	1,322	-	1,322	25
	<u>1,322</u>	<u>-</u>	<u>1,322</u>	<u>25</u>

4. Operational and support costs

	Counselling services £	Education & training services £	Total 2023 £	Total 2022 £
Operational and support costs				
Staff costs	203,501	-	203,501	140,817
Invoiced supplies	15,334	-	15,334	16,422
Training	12,325	-	12,325	1,105
Support costs (see note 5)	226,356	-	226,356	208,965
Governance costs (see note 5)	29,134	-	29,134	36,280
	<u>486,650</u>	<u>-</u>	<u>486,650</u>	<u>403,589</u>

Total expenditure on charitable activities was £486,650 (2022 - £403,589) of which £211,274 (2022 - £174,236) was unrestricted and £275,376 (2022 - £229,353) was restricted.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

5. Analysis of support and governance costs

	General support £	Governance function £	Total 2023 £	Total 2022 £
Management and administrative staff	186,318	-	186,318	174,896
Training and recruitment	911	-	911	1,735
Premises costs	8,671	-	8,671	7,668
Insurance	6,136	-	6,136	5,573
General office costs	16,774	-	16,774	11,780
Audit	-	3,420	3,420	3,120
Accountancy	-	2,101	2,101	2,233
Federation fees	-	23,613	23,613	30,927
Legal and other professional	35	-	35	-
Bank charges	3,425	-	3,425	3,594
Depreciation	4,086	-	4,086	3,719
	<u>226,356</u>	<u>29,134</u>	<u>255,490</u>	<u>245,245</u>

The allocation of general support and governance costs is based upon Counselling and Educational income as a percentage of total income received.

6. Net expenditure for the year

Net expenditure is stated after charging:

	Total 2023 £	Total 2022 £
Depreciation of tangible fixed assets	4,086	3,719
Operating lease rentals		
Premises	6,000	6,000
Office equipment	269	190
Auditor's remuneration		
Audit fees	3,420	3,120

7. Trustees and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2022 - £nil).

During the year, no travel expenses were reimbursed or paid directly to any trustees (2022 - £15 paid to one trustee).

The Trust considers its key management personnel comprise the Chief Executive, Service Manager, Operations & Administration Manager (2022: included Chief Executive, Service Manager, Operations & Administration Manager). The total amount of employee benefits received by key management personnel was £114,157 (2022 - £109,980).

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

8. Analysis of staff costs and numbers

Staff costs :

	Total 2023 £	Total 2022 £
Wages and salaries	364,831	296,925
Social security costs	19,255	14,389
Pension	5,733	4,399
	<u>389,819</u>	<u>315,713</u>

No employees received total employee benefits of more than £60,000.

Staff numbers :

The average monthly number of employees and full time equivalents during the year was as follows:

	2023 Number	2023 FTE	2022 Number	2022 FTE
Delivery staff	28	8	25	9
Support staff	8	6	7	5
	<u>36</u>	<u>14</u>	<u>32</u>	<u>14</u>

9. Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2022	420,000	51,998	471,998
Additions	-	3,036	3,036
At 31 March 2023	<u>420,000</u>	<u>55,034</u>	<u>475,034</u>
Depreciation			
At 1 April 2022	19,992	50,293	70,285
Charge for the year	2,856	1,230	4,086
At 31 March 2023	<u>22,848</u>	<u>51,523</u>	<u>74,371</u>
Net book values			
At 31 March 2023	<u>397,152</u>	<u>3,511</u>	<u>400,663</u>
At 31 March 2022	<u>400,008</u>	<u>1,705</u>	<u>401,713</u>

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

9. Tangible fixed assets (continued)

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation at 31 March 2023 is represented by :			
Valuation in 2015	420,000	-	420,000
Cost	-	55,034	55,034
	<u>420,000</u>	<u>55,034</u>	<u>475,034</u>

Freehold properties were revalued by the trustees as at 31 March 2015.

10. Debtors

	Total 2023 £	Total 2022 £
Debtors from operations	105,854	95,323
Prepayments and accrued income	46,071	23,903
	<u>151,925</u>	<u>119,226</u>

11. Creditors - amounts falling due within one year

	Total 2023 £	Total 2022 £
Creditors from operations	6,279	3,901
Other taxation and social security	5,461	-
Accruals and deferred income	204,599	101,261
Other creditors	29,743	27,499
	<u>246,082</u>	<u>132,661</u>

Deferred income

Deferred income at 1 April 2022	95,673	91,145
Resources deferred in the year	181,421	76,881
Amounts released from previous years	(76,881)	(72,353)
Deferred income at 31 March 2023	<u>200,213</u>	<u>95,673</u>

At the balance sheet date the charity was holding funds received in advance where the qualifying expenditure is expected to be incurred in a future year.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

12. Commitments under operating leases

At 31 March 2023 the charity was committed to making the following payments under non-cancellable operating leases :

	Land and buildings	
	Total 2023 £	Total 2022 £
Within one year	6,000	6,000
Within two to five years inclusive	4,000	10,000
	<u>10,000</u>	<u>16,000</u>

13. Analysis of funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 March 2023 £
Restricted funds					
General fund	<u>400,008</u>	<u>272,520</u>	<u>(275,376)</u>	<u>-</u>	<u>397,152</u>
Unrestricted funds					
General fund	<u>330,628</u>	<u>330,133</u>	<u>(223,329)</u>	<u>-</u>	<u>437,432</u>
Total funds	<u>730,636</u>	<u>602,653</u>	<u>(498,705)</u>	<u>-</u>	<u>834,584</u>

Name of fund	Description, nature and purpose of fund
Restricted general fund	Money given to the charity where the donor requires that a grant or donation be spent for a specific project.
Unrestricted general fund	The free reserves of the charity which are not designated for particular purposes.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2023 (continued)

14. Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	3,511	397,152	400,663
Current assets	680,003	-	680,003
Current liabilities	(246,082)	-	(246,082)
Total net assets	437,432	397,152	834,584

15. Capital commitments

There were no capital commitments at 31 March 2023 nor at 31 March 2022.

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

	Total 2023 £	Total 2022 £
Net income for the year	103,948	11,560
Depreciation	4,086	3,719
Interest receivable	(1,322)	(25)
Decrease in debtors	(32,699)	(69,264)
Increase in creditors	113,421	9,220
Net cash flow from operating activities	187,434	(44,790)

17. Related party transactions

No related party transactions took place in either the current or previous period of account.

RELATE BIRMINGHAM

Trusts and Donations

YEAR ENDING 31 MARCH 2023

Thank you to the following funders who have supported us this year:

Donations

CB & HH Taylor 1984 Trust
Charles Brotherton Trust
Jabbs Foundation
Roger & Douglas Turner Trust
William A Cadbury Charitable Trust

Other personal donations

Grants

Children in Need
Macmillan Cancer Support
Sandwell MBC
Walsall MBC
SCVO