

Relate Birmingham

**Annual Report and Financial Statements
Year ended 31 March 2024**

Charity Number : 1053946

Company Number : 03174040

**Feltons
Chartered Accountants**

**Birmingham
B1 3JR**

Relate Birmingham
REPORT AND FINANCIAL STATEMENTS
Year ended 31 March 2024

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Relate Birmingham

Reference and Administrative Details

Chair	Malcolm Pearson	
Trustees	Elizabeth Wyatt Andy Lee Pam Dhanda 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	Chief Executive Service 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 2024

CHAIR'S REPORT

In line with recent years, I am delighted to report that Relate Birmingham continues to develop its sustainable business path forwards despite sometimes difficult economic pressures as potential clients are forced to reduce their spending ability

We as a Board continue to look at not only our spending but also our business development and future strategy to ensure that we continue to move forwards positively.

As the Covid Pandemic fades into a memory we cannot forget or underestimate the impact it had on our staff and business and continue to rebuild cautiously. We are now able to return to face to face counselling to further develop to ensure that we can meet client needs

One major highlight this year has been the recruitment of four new Board Members. It is not always easy to recruit Board members given that all positions are voluntary and therefore involve people generously giving of their time. However, we had excellent success and, in our recruitment, and as a result were not only able to recruit Trustees with specific business expertise but also significantly expanded the diversity of the Board.

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.

I must also add my appreciation and that of the Board to our Management and Staff for their hard work and dedication in keeping Relate Birmingham at the forefront of our sector.



Malcolm Pearson
Chair

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2024

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2024. 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 nine members of the executive committee at 31 March 2024.

(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 2024

(c) Support Staff

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

1 Service Manager	37 hours per week
3 Supervisors	32 hours per week
1 Service Co-ordinator	37 hours per week
1 Finance Manager	16 hours per week
3 Administrative assistants	97 hours per week

The Birmingham office is the base for the administration team.

(d) Counsellors

At 31 March 2024 there were twenty-nine counsellors working between three and twenty-five hours per week. 8% of the total number of counselling sessions delivered was provided by counsellors on a voluntary basis.

(e) Family Team

At 31 March 2024 there were 4 Family Contact Workers and 1 Family Mediator.

(f) Domestic Abuse Services Team

At 31 March 2024 there was 1 part time Domestic Abuse Service Manager and 2 Choose2Change programme facilitators

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 2024

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, sex therapy, education and training and other relationship support and wellbeing services.

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 having issues in their personal relationships or need support in their role as parents. We help them cope with issues such as communication, parenting and co-parenting, divorce and separation and improve their relationships with partners, children and relatives. Other issues we work with include domestic abuse, adult survivors and mental health issues. Sessions can be face to face, via webcam or phone.

Sex Therapy

Sex therapy is for people having problems in their sexual relationships due to physical or emotional issues. They can be in a couple or single. 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 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 service for children and young people aged 7-18 experiencing changes in their family such as separation, divorce, blended families, absent parents, illness, bereavement, and conflict. It also helps where this has an impact on school, work or peer relationships and supports children and young people who may have any issues around the subject of bullying or domestic abuse. It gives them an opportunity to be listened to and express their feelings.

Life skills, Training and Education Services

We can provide relationship, parenting and life skills workshops for the public, as well as 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.

Domestic Abuse Services

Choose2Change is our group programme designed to help people stop using abusive behaviour towards an intimate partner or ex-partner and to increase the safety of women and children

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2024

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 open only for administration, with counsellors working remotely providing sessions over webcam or phone. This June, in line with our plans and responding to client demand, we restarted face to face counselling in our Birmingham centre and Sutton Coldfield premises and we are on track to reopen the Wolverhampton centre in September 2024.
- We made progress in building the management and admin team, recruiting a part time finance manager and 2 administrators. A marketing and communications manager starts later in 2024. We also actively recruited more counsellors and took on 5 new placement students.
- During 2023-24 we delivered 10,023 hours of service and support, working directly with 3257 adults, young people and children, and indirectly benefitting a further 1621 children.
- Overall, we registered 2240 new cases and delivered 8331 hours of counselling and the ongoing strain on relationships and wellbeing is clear. Children and parenting difficulties were an issue for 24% of adults and couples. Mental health was an issue for 25% and domestic abuse was an issue for 15%.
- 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 the key issue for 18% of self-referral clients, especially with the ongoing cost of living pressures. 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.
- Based on the success of our initial pilot of a relationship support service to NHS staff affected by the cost of living increases, the service was extended this for a second phase this year. We offered counselling sessions and attended events. We also provided counselling to patients with relationship and family issues referred by their GP.
- Our Time for You Service and work with children and young people's expanded rapidly this year and was almost a third of our overall delivery. Our project in Sandwell for children and young people whose emotional well-being had been affected by the impact of Coronavirus was funded by SCVO for a further 2 phases. We provided one to one counselling in 11 primary and secondary schools and also offered sessions online.
- We also began working with Sandwell and Dudley CAMHS, providing counselling for children and young people needing Getting Help support. During the year we increased our counsellor team and worked in partnership with local counselling providers and other Relate Centre.
- We offered counselling in a residential unit for parents undergoing assessment.
- We started new Domestic Abuse Services, recruiting a Service Manager and two facilitators to deliver the Choose2Change behaviour change programme for perpetrators. Since October 2023 we have been working in partnership with St Giles Trust, Black Country Women's Aid, the Police and Relate Coventry on the Pathways to Change project to pilot perpetrator interventions to increase the safety of women and children. This is funded by the OPCC.
- Family Mediation continued to support separating or divorcing parents 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 maintained our NACCC Accreditation and recruited more family workers to join the team.

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2024

Analysis of Activity	Year to March 2023	Year to March 2024
Total units of work delivered:	8165	10023
Total number of users	2539	3357
Total number of new cases:	-	2240

Self Referrals

40% of work is self-referral.

Number of New Cases Registered	1,521	1114
Total Hours of Counselling Appointments Given	4,994	3305
Total Hours Service Given	5073	3975
Relationship Counselling	81%	84%
Sex Therapy	8%	5%
Children & Young People's Counselling	6%	5%
Family Counselling	2%	3%
Training & Workshops	-%	-%
Family Mediation	3%	3%

Contracts and Commissioned Services:

60% of work is contract or commissioned.

Total Hours Service Given	3092	6048
Primary Care/Health Counselling	14%	11%
CYP CAMHS/School/Project Counselling	36%	61%
Residential Centre Counselling	5%	2%
Child Contact Service	44%	26%

Clients Information

3257 adults, young people and children benefited directly from our services.
1621 children of adult clients benefited indirectly.

Who We Worked With		Where They live	
Couples	26%	Birmingham	32%
Women	14%	Solihull	5%
Men	10%	Sandwell	20%
Families	2%	South Staffs	8%
Children/Young People	48%	Walsall	8%
		Dudley	16%
		Wolverhampton	6%
		Other	5%
Presenting Issue- Adults/Couples		Ethnicity	
Communication Difficulties	54%	White British/Irish/Other	68%
Children, Family, Parenting	24%	Asian/Asian British	16%
Work & Money Worries	18%	Black/African/Caribbean/Black British	8%
Separation and Divorce	16%	Mixed/Multiple Ethnic Groups	6%
Sexual Problems	17%	Other	2%
Mental & Physical Health	25%		
Affairs	14%		
Domestic Abuse	15%		
Impact of Past Relationships	24%		
Bereavement	8%		
Alcohol and Drug Misuse	8%		
Sexual Abuse	4%		
Caring Responsibilities	4%		
Relationship Status - Adults		Employment Status - Adults	
Married//Cohabiting	68%	Full Time	64%
Separated/Divorced	17%	Part Time	15%
Single	8%	Self Employed	4%
None	5%	At Home	5%
Civil Partnership	2%	On Benefit	4%
		Retired	3%
		Student	5%

Relate Birmingham
TRUSTEES' REPORT (continued)
Year ended 31 March 2024

Summary Financial Information

How We Funded Our Services	£ 2023	£ 2024
Donations and Grants	54,598	34,150
Local Authority	36,464	36,464
Client Contributions	145,321	123,955
Grants & Contracts	358,827	587,206
Education and Training	0	0
Family Mediation	5,120	5,890
Room Hire and Other Income	2,322	4,138
Average cost per counselling hour	57.85	56.38
Average client contribution per hour	28.54	28.16
Average subsidy made per client appointment	29.31	28.22
On average we subsidised clients by	50%	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 more progress on building our organisation and developing services to meet the needs of clients and staff. This includes developing face to face and digital delivery, the rising cost of living and the increased need for mental health support for adults, children and young people. We will continue to broaden our offer, focussing on developing Mediation, Family Contact and Domestic Abuse Services.

In 2024/25 our priorities are to:

a) *Organisational Structure and Systems*

Develop the staff structure and recruit to identified roles to deliver the plan.
 Re-open the main centres and develop a network of delivery venues.
 Increase use of digital systems and update our booking and case management systems.
 Develop clinical/service leadership to maintain service quality and safety.

b) *Service Delivery*

Increase face to face counselling and overall delivery through recruitment and training.
 Develop counselling services – individuals, bereavement, CYP, one session therapy.
 Develop Family Mediation and Family Contact Services.
 Establish and develop the Domestic Abuse Service.
 Outcome and evaluation reporting of main services.

c) *Marketing & Income Generation*

Develop a marketing strategy to increase digital marketing and raise our profile.
 Update our website.
 Increase grant income for our bursary and projects to support those in need.

d) *HR & Staff Development*

Increase HR support for staff recruitment and development.
 Update policies and procedures.
 Provide more opportunities for communication, engagement and team building.
 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 2024

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 2024 total income received was £767,778 and total resources expended were £604,574 giving surplus income over expenditure of £163,204. 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 2024-25.

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 1.35% 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 £603,492 (2023 - £437,432). Current reserves are considered to be at a reasonable level as resources expended for the next six months are expected to be £400,302.

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 £185,916 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.
- 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 2024

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 2024

Directors

The following directors have held office during the year:

A Beckford
M Booton
P Dhanda
P Goray
E Findley
A Lee
M Pearson
C Price
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


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Malcolm Pearson
Chair

1 August 2024

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 2024 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 2024, 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

22 August 2024

Relate Birmingham

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income					
<i>Voluntary income:</i>					
Donations and legacies	2	10,700	23,450	34,150	54,598
<i>Income from charitable activities:</i>					
Grant and contracts		361,351	238,293	599,644	395,292
Counselling income		129,845	-	129,845	150,441
<i>Income from trading activities:</i>					
Supervision		-	-	-	1,000
Other income		48	-	48	-
Investment income	3	4,091	-	4,091	1,322
Total income		506,035	261,743	767,778	602,653
Expenditure					
<i>Costs of raising funds :</i>					
Room hire		13,552	-	13,552	6,922
Supervision		11,875	-	11,875	5,133
<i>Charitable activities:</i>					
Operational and support costs	4	314,548	264,599	579,147	486,650
Total expenditure		339,975	264,599	604,574	498,705
Net (expenditure) / income before transfers		166,060	(2,856)	163,204	103,948
Gross transfers between funds	13	-	-	-	-
Net movement in funds		166,060	(2,856)	163,204	103,948
Reconciliation of funds					
Total funds brought forward	13	437,432	397,152	834,584	730,636
Total funds carried forward		603,492	394,296	997,788	834,584

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 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	9		397,460		400,663
Current assets					
Debtors	10	174,906		151,925	
Cash at bank and in hand		<u>607,567</u>		<u>528,078</u>	
		782,473		680,003	
Creditors: amounts falling due within one year	11	<u>182,145</u>		<u>246,082</u>	
Net current assets			600,328		433,921
Net assets			<u>997,788</u>		<u>834,584</u>
Funds of the charity :					
Restricted funds					
General fund	13		394,296		397,152
Unrestricted funds					
General fund	13		603,492		437,432
Total funds			<u>997,788</u>		<u>834,584</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 19 to 27 form part of these accounts.

The financial statements were approved and authorised for issue by the Trustees on 1 August 2024 and signed on their behalf by :


 Malcolm Pearson
 Chair

Relate Birmingham
STATEMENT OF CASH FLOWS
Year ended 31 March 2024

	Notes	2024 £	2023 £
Cash flow from operating activities	16	76,298	187,434
Net cash flow from operating activities		<u>76,298</u>	<u>187,434</u>
Cash flow from investing activities			
Acquisition of tangible fixed assets		(900)	(3,036)
Interest received		4,091	1,322
Net cash flow from investing activities		<u>3,191</u>	<u>(1,714)</u>
Net increase in cash and cash equivalents		79,489	185,720
Cash and cash equivalents at 1 April 2023		528,078	342,358
Cash and cash equivalents at 31 March 2024		<u>607,567</u>	<u>528,078</u>

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

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 2024 (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 2024 (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 2024 (continued)

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations	10,700	23,450	34,150	30,518
Grants	-	-	-	24,080
	<u>10,700</u>	<u>23,450</u>	<u>34,150</u>	<u>54,598</u>

3. Investment income

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Deposit account interest	4,091	-	4,091	1,322
	<u>4,091</u>	<u>-</u>	<u>4,091</u>	<u>1,322</u>

4. Operational and support costs

	Counselling services £	Education & training services £	Total 2024 £	Total 2023 £
Operational and support costs				
Staff costs	215,445	-	215,445	203,501
Invoiced supplies	69,452	-	69,452	15,334
Training	3,872	-	3,872	12,325
Volunteer expenses	403	-	403	-
Support costs (see note 5)	252,298	-	252,298	226,356
Governance costs (see note 5)	37,677	-	37,677	29,134
	<u>579,147</u>	<u>-</u>	<u>579,147</u>	<u>486,650</u>

Total expenditure on charitable activities was £579,147 (2023 - £486,650) of which £314,548 (2023 - £211,274) was unrestricted and £264,599 (2023 - £275,376) was restricted.

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024 (continued)

5. Analysis of support and governance costs

	General support £	Governance function £	Total 2024 £	Total 2023 £
Management and administrative staff	187,042	-	187,042	186,318
Training and recruitment	8,915	-	8,915	911
Premises costs	15,611	-	15,611	8,671
Insurance	11,625	-	11,625	6,136
General office costs	21,822	-	21,822	16,774
Audit	-	3,433	3,433	3,420
Accountancy	-	13,849	13,849	2,101
Federation fees	-	20,395	20,395	23,613
Legal and other professional	-	-	-	35
Bank charges	3,180	-	3,180	3,425
Depreciation	4,103	-	4,103	4,086
	<u>252,298</u>	<u>37,677</u>	<u>289,975</u>	<u>255,490</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 2024 £	Total 2023 £
Depreciation of tangible fixed assets	4,103	4,086
Operating lease rentals		
Premises	6,000	6,000
Office equipment	1,823	269
Auditor's remuneration		
Audit fees	3,433	3,420

7. Trustees and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2023 - £nil).

During the year, travel expenses of £41 was reimbursed to one trustee (2023 - £nil).

The Trust considers its key management personnel comprise the Chief Executive and Service Manager (2023 included Operations & Administration Manager). The total amount of employee benefits received by key management personnel was £100,224 (2023 - £114,157).

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024 (continued)

8. Analysis of staff costs and numbers

Staff costs :

	Total 2024 £	Total 2023 £
Wages and salaries	375,465	364,831
Social security costs	20,462	19,255
Pension	6,560	5,733
	<u>402,487</u>	<u>389,819</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:

	2024 Number	2024 FTE	2023 Number	2023 FTE
Delivery staff	35	12	28	8
Support staff	8	6	8	6
	<u>43</u>	<u>18</u>	<u>36</u>	<u>14</u>

9. Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2023	420,000	55,034	475,034
Additions	-	900	900
At 31 March 2024	<u>420,000</u>	<u>55,934</u>	<u>475,934</u>
Depreciation			
At 1 April 2023	22,848	51,523	74,371
Charge for the year	2,856	1,247	4,103
At 31 March 2024	<u>25,704</u>	<u>52,770</u>	<u>78,474</u>
Net book values			
At 31 March 2024	<u>394,296</u>	<u>3,164</u>	<u>397,460</u>
At 31 March 2023	<u>397,152</u>	<u>3,511</u>	<u>400,663</u>

Relate Birmingham
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024 (continued)

9. Tangible fixed assets (continued)

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation at 31 March 2024 is represented by :			
Valuation in 2015	420,000	-	420,000
Cost	-	55,934	55,934
	<u>420,000</u>	<u>55,934</u>	<u>475,934</u>

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

10. Debtors

	Total 2024 £	Total 2023 £
Debtors from operations	159,470	105,854
Prepayments and accrued income	<u>15,436</u>	<u>46,071</u>
	<u>174,906</u>	<u>151,925</u>

11. Creditors - amounts falling due within one year

	Total 2024 £	Total 2023 £
Creditors from operations	23,303	6,279
Other taxation and social security	6,910	5,461
Accruals and deferred income	123,171	204,599
Other creditors	<u>28,761</u>	<u>29,743</u>
	<u>182,145</u>	<u>246,082</u>

Deferred income

Deferred income at 1 April 2023	200,213	95,673
Resources deferred in the year	88,739	181,421
Amounts released from previous years	<u>(175,639)</u>	<u>(76,881)</u>
Deferred income at 31 March 2024	<u>113,313</u>	<u>200,213</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 2024 (continued)

12. Commitments under operating leases

At 31 March 2024 the charity was committed to making the following payments under non-cancellable operating leases :

	Land and buildings	
	Total	Total
	2024	2023
	£	£
Within one year	4,000	6,000
Within two to five years inclusive	-	4,000
	<u>4,000</u>	<u>10,000</u>

13. Analysis of funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 March 2024 £
Restricted funds					
General fund	<u>397,152</u>	<u>261,743</u>	<u>(264,599)</u>	<u>-</u>	<u>394,296</u>
Unrestricted funds					
General fund	<u>437,432</u>	<u>506,035</u>	<u>(339,975)</u>	<u>-</u>	<u>603,492</u>
Total funds	<u>834,584</u>	<u>767,778</u>	<u>(604,574)</u>	<u>-</u>	<u>997,788</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 2024 (continued)

14. Analysis of net assets between funds

Fund balances at 31 March
2024 are represented by:

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	3,164	394,296	397,460
Current assets	782,473	-	782,473
Current liabilities	(182,145)	-	(182,145)
Total net assets	603,492	394,296	997,788

15. Capital commitments

There were no capital commitments at 31 March 2024 nor at 31 March 2023.

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

	Total 2024 £	Total 2023 £
Net income for the year	163,204	103,948
Depreciation	4,103	4,086
Interest receivable	(4,091)	(1,322)
Decrease in debtors	(22,981)	(32,699)
Increase in creditors	(63,937)	113,421
Net cash flow from operating activities	76,298	187,434

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 2024

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

Sandwell MBC
Walsall MBC
SCVO