

Registration No. 5065216 (England and Wales)
Charity No. 1103070

RELATE LEICESTERSHIRE
(a company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

RELATE LEICESTERSHIRE

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RELATE LEICESTERSHIRE (A COMPANY LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

RELATE LEICESTERSHIRE
(A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

TRUSTEES:

Ms Rachael Heppingstall (Chair)
Mr R Jones
Mr M Wright (resigned 16/09/2022)
Ms J Darby

COMPANY SECRETARY:

Mrs S Prince

CHIEF EXECUTIVE OFFICER:

Mrs S Prince

REGISTERED OFFICE:

83 Aylestone Road
Leicester
Leicestershire
LE2 7LL

COMPANY REGISTERED NUMBER:

5065216 (England & Wales)

CHARITY REGISTERED NUMBER:

1103070

INDEPENDENT AUDITORS:

Xeinadin Audit Limited
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

BANKERS:

HSBC Bank plc
31 Granby Street
Leicester
LE1 6EP

RELATE LEICESTERSHIRE (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Directors, who are Trustees in respect of the charitable activities of the company, present their report together with the financial statements for the year ended 31 March 2022.

CHARITABLE OBJECTS

The charitable objects of Relate Leicestershire are set out below.

1. To educate the public concerning the benefits of secure couple relationships, marriage and family life in order to improve the emotional, sexual and spiritual well-being of individuals which is derived from committed relationships;
2. To seek to enhance, the good health, both mental and physical, of adults and children by:
 - i) Increasing public awareness of the benefit of committed couple relationships, marriage, and family life; and
 - ii) Working to prevent poverty, hardship and distress caused by the breakdown of such relationships;
3. To provide counselling, advice, education, guidance and relief to adults and/or children in relation to any aspect of contemporary life or work which:
 - i) May prejudice their physical or mental well-being; or
 - ii) Influence, either directly or indirectly, their present or future family or couple relationship;
4. To relieve those in need by reason of youth, age, ill-health, disability, financial hardship or another disadvantage; and
5. To promote research into all of the above Objects and to make the results available to the public.

The company's main activities during the year all fell within these objects and are described in fuller detail later in this report.

REVIEW OF BUSINESS

The results for the year and the financial position of the company are as shown in the annexed financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Relate Leicestershire is a registered charity that has been serving the communities of Leicester, Leicestershire and Rutland for over 80 years. We are a Federated Centre within the Relate family group. Relate National has now taken in a number of centres to become part of a single charity as Relate National. Other centres have decided to stay as independent centres and are named Federated Centres. Relate Leicestershire is bound by the terms of the Relate membership agreement, which provides, inter alia,

RELATE LEICESTERSHIRE (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

that Relate Leicestershire will abide by the terms of all policies and service specifications approved by the Federation. The governing body of the Federation is the Relate Board of Directors.

We provide an extensive range of relationship services at our main premises at 81/83 Aylestone Road, Leicester and outreach locations across the county and Rutland.

The governing body of Relate Leicestershire is its Board. The Memorandum and Articles of Association govern the appointment of Directors and Trustees. The Centre's policy for the recruitment and induction of new Directors and Trustees provides for a process of interviews and discussions, the provision of background information and attendance as an observer at Board and Committee meetings.

The Directors and Trustees have met formally with the Centre Manager and staff teams in regular meetings throughout the year. Between these meetings the Finance & General Purposes Committee oversee the Centre's finances and Human Resource Functions. The Service & Practice Committee regularly reviews and guides the development and delivery of the main services provided: Relationship Counselling (face-to-face and by telephone), Young People Counselling, Psycho-Sexual Therapy, Family Counselling and Education and Learning services. The Business Development Committee oversee the development of the Business Plan and the Marketing & Publicity Strategy and monitor its implementation and progress.

Suzanne Prince leads the team with support from Melissa White, (Head of Services) Hannah Andrzejewski (Office Manager) and Caroline Byrne (Centre Support Team Co-ordinator). The Clinical Lead is supervisor Vicki Weetman, supported by supervisors Kala Subbaswamy, Rashmi Patel and Leona Smith Kerr.

OBJECTIVES AND ACTIVITIES

Our vision is to be a "one stop relationship service centre" reaching more people and serving the community of Leicester, Leicestershire and Rutland. We have continued to ensure that our services are diverse and designed to meet local needs, and in parallel to diversify our sources of income. Growth and flexibility are critical to the Centre's long-term viability, and we continue on our objective to develop steady patterns of annual growth. 2022-2023 has been another positive year in terms of maintaining a single cohesive team within the Centre but as with everyone else, in March 2020 we were impacted by the Covid 19 virus. We ended all face to face work and transitioned to telephone and video counselling. It has been down to the strength and positivity of all staff that we have managed to do this successfully and still run a full service. We were also successful in attracting funding to help us recover into the next year to help us deal with the changes and challenges the virus continues to bring. We are now delivering a mainly face to face service and have fully established ourselves back into regular delivery without the impact of covid.

The Centre's longest established service is Adult Relationship Counselling. This includes counselling for individuals and couples, irrespective of marital status, faith, race, gender, sexual orientation or disability, on Relate premises and remotely; and Psychosexual Therapy.

The Young People Counselling Service has continued building partnerships with schools and we have new schools and colleges on board providing face to face counselling services. The demand for children and young people counselling and family counselling is significant, and we have again recruited new members of the team to meet the additional demand. We delivered the final year of therapeutic services for

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

children and young people with mild to moderate mental health needs across Leicester, Leicestershire and Rutland and again this has now been extended to December 2023. The contract is an Early Intervention Service funded by each area Clinical Commissioning Group and is delivered with our partner agencies; The Centre for Fun and Families and ADHD Solutions.

Our aims for education and learning services were based on growth and sustainability and we have delivered the fourth year of our CAFCASS contract with Cambridge Family Mediation Services delivering separated parents' courses. This contract has also been extended for a further year.

PUBLIC BENEFIT

In line with the requirements of the Charities Commission, we give below information on how the Centre delivers public benefit.

Relate Leicestershire takes practical steps to provide open access to its services. We operate a bursary scheme to enable those in financial hardship to access our services at a reduced cost. We nevertheless see it as a priority that our services remain accessible to those who require them, irrespective of their means.

Most of our Young People Counselling Service is provided within the Early Intervention Service and local schools and colleges.

ACHIEVEMENTS AND PERFORMANCE

Results in Aggregate

This was a year of challenge with slightly less work delivered in some areas but increased in children and young people's service, it was expected with the impact of the pandemic. The number of sessions delivered during the year were 2,873 sessions for relationship counselling, 3,800 sessions of children and young people counselling and group work, 219 sessions of Sex Therapy, 235 sessions of family counselling and more than 650 individuals attended our training programmes. The young people service has seen a significant increase in delivery, and we have increased the number of practitioners into the team to ensure we reach the number of people who want to use our service. We were able to manage a surplus in order to continuing building our reserves that have supported our delivery in past years.

Adult Relationship Counselling

Demand for adult relationship counselling services declined during the pandemic but still similar to last year and we hope to reach more people again this year. Our priority has been to ensure that we continue to deliver services during the pandemic.

Children and Young People's counselling and Family Work

We continued our work in schools providing individual counselling for young people in secondary and primary schools.

The demand for school counselling is increasing at a steady rate and we have employed and trained new counsellors to meet the demand.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Education and Learning

We have had another successful year delivering the CAFCASS mandated programme to separated parents. All individual and group delivery has been delivered and continues to be delivered remotely on zoom.

FINANCIAL REVIEW

Financial Position

The Centre ended the year with total incoming resources of £1,266,386 and recorded a surplus of £298,996. This surplus has built our reserves to a level that will sustain us in a crisis. We have continued to invest in our infrastructure to improve our environment for clients, improve the building and our programme of change for our IT provision. The Trustees, as usual, will be making prudent decisions over the coming year to ensure the Centre's viability.

The Centre's finances are managed under a straightforward regime. The Finance & General Purposes Committee develops a budget for approval by the Board prior to the start of each year, and reviews performance against that budget. The Board receives and considers financial reports at each of its quarterly meetings. Every month the Centre Manager sends to the Directors and Trustees a set of key statistics, including output volumes for each service, the unkept appointment rate, the average client contribution for counselling services, and the values of bank balances. The Finance & General Purposes Committee is authorised to approve unbudgeted expenditures of up to £5,000. The Finance Committee keeps under review the management of funds on deposit.

The turnover in 2021 – 2022 has increased and taken us over the threshold for an independent examination and we have been audited this year by Xeinadin Audit Limited.

Reserves

The contents of the Centre's risk register were formally reviewed during the course of the year, together with their estimated impacts and likelihoods, controls and mitigations. In the light of this the level of required reserves was re-evaluated. The directors concluded that it was prudent to maintain free reserves, including working capital, of around £300,000 to provide a 'breathing space' within which to act in the event of the risks identified materialising.

The Centre's readily realisable assets now stand at around £816,376. Given the continuing uncertainties within the funding outlook and the economy generally, the directors regard the current level of reserves as adequate.

It should be noted that the freehold property owned by Relate Leicestershire is valued at historical cost less accumulated depreciation in the accounts. The trustees consider that 'on an open market valuation' the freehold property would be valued considerably more than its book value.

Funding

The main sources of funding for our services during 2021/2022 are as described in the following paragraphs.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Most of the funding for Relationship Counselling, delivered at our own premises and outposts came from client contributions. The payments are supported by a bursary, where necessary, so that the service was again available to clients irrespective of their means. Our Bursary made available for members of the public to support the cost of counselling for 2021 – 2022 was £14,320.

Young People counselling services received most of its funding through contracts with our local CCGs. Schools and colleges counselling services were delivered at fair sessional rates for the services received. Education and Learning was mainly delivered under the contract and costs of the Separated Parents Information Programme commissioned by CAFCASS.

FUTURE DEVELOPMENTS

We have continued to build stability in the Centre as we work together to operate our vision and strategy. We still dealt with some continuing pressure from the pandemic as families have lost jobs and experience lower household income due to redundancy or furlough. Faced with continuing uncertainty, we shall maintain close monitoring of the funding outlook and new opportunities and keep under review contingency plans to manage our capacity and our cost base.

We will continue to analyse feedback from our clients and act as needed to keep our services in tune with evolving market needs. We will continue to invest time and effort in understanding the implications of structural changes in our various markets, including the impact of commissioning. We intend to continue to develop bespoke solutions to the opportunities presented by funding agencies, and where appropriate to work in partnership with other service organisations with complementary competences. We will continue to encourage the members of our highly skilled workforce to extend their individual competences to meet emerging needs.

The trustees are confident that the actions taken over the past year has put the charity in a strong position to succeed in what has now become an extremely challenging time.

REFERENCE AND ADMINISTRATIVE DETAILS

This information is provided on page 1 of the annual report and accounts.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved, has confirmed that so far as that Trustee is aware, there is no audit information of which the auditor is unaware; that they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the auditor in connection with preparing its report and to establish that the auditor is aware of that information.

Approved by the Trustees on 20th December 2022 and signed on their behalf by



Rachael Heppingstall
Chair

RELATE LEICESTERSHIRE (A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are required to prepare financial statements for each financial year that give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those accounts the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 ensure that the accounts comply with all relevant legislation and its own constitution. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RELATE LEICESTERSHIRE

Opinion

We have audited the financial statements of Relate Leicestershire for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 2022, 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 the provisions available for small entities, in respect of the fact we provide non-audit services in the preparation of these financial statements, 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on 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 Trustees' report. The Trustees are responsible for this other information. Our opinion of the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RELATE LEICESTERSHIRE

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 it 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 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Firstly, our assessment of the risk applicable to the entity's financial statements from material misstatements, including fraud, is low. Consequently, the risks identified are primarily concerned with dominant influence by management, income recognition and classification as well as adequacy and completeness of the disclosure for related parties. In response, we have:

- Reviewed minutes of meetings of management and those charged with governance;
- Tested journal entries and other adjustments for appropriateness, evaluating the rationale behind transactions outside the normal course of activities;
- Vouched a sample of grants and contracts to source documentation checking income recognition criteria as well as any restrictions for appropriate fund classification;
- Obtained related party grid responses from connected parties and reviewed transactions during the year for evidence of additional, unidentified related parties.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RELATE LEICESTERSHIRE

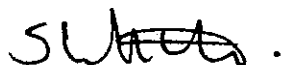
Auditor's responsibilities for the audit of the financial statements (continued)

Whilst the procedures listed aid us in detecting irregularities, there exists the inherent difficulty in detecting irregularities, particularly those related to fraud. However, we believe the above risks to be the particular areas most susceptible to material misstatement.

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.



Samantha White FCA CTA (Senior Statutory Auditor)

for and on behalf of
XEINADIN AUDIT LIMITED

Chartered Accountants
Statutory Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date 20/12/2022.

**RELATE LEICESTERSHIRE
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

INCOME AND EXPENDITURE ACCOUNT

	NOTE	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
Incoming resources					
Incoming resources from generated funds					
Voluntary Income	2	2,000	-	2,000	1,500
Investment income	3	-	-	-	-
Incoming resources from charitable activities	4	1,049,277	209,716	1,258,993	932,678
Other incoming resources	5	5,393	-	5,393	12,346
Total incoming resources		1,056,670	209,716	1,266,386	946,524
Resources expended					
Charitable activities	6	749,974	209,716	959,690	869,905
Governance costs	7	7,700	-	7,700	2,400
Total resources expended		757,674	209,716	967,390	872,305
Net incoming resources for the financial year	8	298,996		298,996	74,219
Transfer between funds				-	-
Total funds brought forward		657,088	-	657,088	582,869
Total funds carried forward	16	956,084	-	956,084	657,088

CONTINUING OPERATIONS

All incoming resources and resources expended derive from continuing activities.

TOTAL RECOGNISED GAINS AND LOSSES

There were no recognised gains or losses other than included above.

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BALANCE SHEET
31 MARCH 2022

	NOTE	<u>2022</u>	<u>2021</u>
TANGIBLE FIXED ASSETS	11	139,708	148,054
CURRENT ASSETS			
Debtors	12	226,053	51,241
Cash at bank and in hand	13	718,051	580,180
		<u>944,104</u>	<u>631,421</u>
CREDITORS			
Amounts falling due within one year	14	<u>127,728</u>	<u>122,387</u>
NET CURRENT ASSETS		816,376	509,034
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>956,084</u>	<u>657,088</u>
FUNDS			
Unrestricted Funds			
General funds	15	956,084	657,088
Designated funds	15	<u>-</u>	<u>-</u>
		956,084	657,088
Restricted funds	15	-	-
TOTAL FUNDS		<u>956,084</u>	<u>657,088</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These accounts were approved by the Trustees on 20.12.22 and signed on their behalf by:

RACHAEL HEPPINGSTALL

Director and Chair of Trustees



RELATE LEICESTERSHIRE
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CASH FLOW STATEMENT
31 MARCH 2022

	2022	2021
Cash flows from operating activities	144,791	260,676
Purchase of tangible fixed assets	(6,920)	(50,545)
Net cash from operating activities and Increase in cash and cash equivalents	137,871	210,131
Cash and cash equivalents at beginning of the year	580,180	370,049
Cash and cash equivalents at at the end of the year	718,051	580,180

**RELATE LEICESTERSHIRE
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**NOTES TO THE CASH FLOW STATEMENT
31 MARCH 2022**

1. RECONCILIATION OF SURPLUS TO CASH GENERATED FROM OPERATIONS

	2022	2021
Surplus for the year	298,996	74,219
Depreciation charges	15,266	19,466
	<u>314,262</u>	<u>93,685</u>
(Increase) / decrease in debtors	(174,812)	82,815
Increase / (decrease) in creditors	5,341	84,176
Cash generated from operations	<u>144,791</u>	<u>260,676</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these balance sheet amounts:

Year ended 31 March 2022

	31.03.22	01.04.21
Cash and cash equivalents	<u>718,051</u>	<u>580,180</u>

Year ended 31 March 2021

	31.03.21	01.04.20
Cash and cash equivalents	<u>580,180</u>	<u>370,049</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 01.04.21	Cash flow	At 31.03.22
Cash at bank and in hand	<u>580,180</u>	<u>137,871</u>	<u>718,051</u>

**RELATE LEICESTERSHIRE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention, and 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 (FRS 102) (effective 1st January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Relate Leicestershire meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated.

Preparation of the accounts on a going concern basis

The trustees are satisfied that based on these accounts, the resources available to the charity, the financial results of the charity since 1st April 2020 and the budgets and forecasts for the 2022/2023 year, that the charity can continue to meet its liabilities as they fall due and that in consequence the going concern basis continues to remain appropriate.

Income

Income is recognised when the charity has entitlement to the funds, any conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants is recognised when the charity has met the performance criteria specified at the time of grant and is recorded on a period-by-period basis when such criteria is achieved.

Incoming resources are treated as unrestricted unless the use of such income has conditions attached which determine when, how and on what such funds may be expended. In those cases where the incoming resource is deemed or determined to be restricted, then it is only recognised as income when any attaching performance criteria is achieved.

Fund Accounting

Unrestricted general funds are those funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed at the time such funds are received. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**RELATE LEICESTERSHIRE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES - continued

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Where such expenditure relates to a restricted income fund, then it is recognised in the same period as the income to which it applies.

Apart from governance costs, all expenditure is classified as expenditure on charitable activities.

All expenditure includes the irrecoverable VAT as a cost where it has been charged.

Allocation of central office costs

Central office costs are those functions that support the charitable activities of the charity and include finance, personnel, management, training and other administrative activities. The trustees do not consider that an arbitrary allocation of such costs is meaningful and accordingly the analysis of expenditure by activity records such costs separately.

Operating Leases

Rentals payable under operating leases (a lease where title to such equipment remains with the lessor) are charged to the SOFA on a straight-line basis over the term of the lease.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses.

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

Freehold property	- 1% on the original cost of the property
Fixtures and fittings	- 10% on cost

Given the nature and age of the freehold property, the trustees have concluded that it is not possible to identify the component parts of its cost and have therefore continued to apply a straight-line charge for depreciation of 1% per annum.

Taxation

As a registered charity, Relate Leicestershire Ltd is exempt from any liability to taxation.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the period are charged in the profit and loss account.

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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. VOLUNTARY INCOME

Voluntary income comprises donations received by the charity in the year. There are no costs associated with this activity.

3. INVESTMENT INCOME

Investment income represents the total amounts receivable from the charity's bank deposits. Investment income is allocated to the different funds based upon the ratio of fund balances.

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Analysis of incoming resources between funds

	Unrestricted funds	Restricted funds	2022 Total	2021 Total
Client and other income	160,189	-	160,189	134,463
Young People	856,858	209,716	1,066,574	776,090
Training & Lifeskills	32,230	-	32,230	17,584
Children in Need	-	-	-	4,541
	1,049,277	209,716	1,258,993	932,678
			2022 Total	2021 Total

Analysis of incoming resources by activity

Relationship counselling	135,966	117,865
Family counselling	13,864	8,352
PST counselling	10,359	8,246
YP counselling	678,244	311,631
Life skills	32,230	17,584
YP early intervention	388,330	469,000
	1,258,993	932,678

5. OTHER INCOMING RESOURCES

Other incoming resources comprise income from the sales of books and other publications, room hire, donations and fund-raising activities. It also includes monies received from furlough (CJRS) totalling £4,700.

**RELATE LEICESTERSHIRE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

	<u>2022</u>	<u>2021</u>
6. RESOURCES EXPENDED ON CHARITABLE ACTIVITIES		
The analysis of resources expended on charitable activities by type is as follows:		
Staff costs	661,951	514,576
National Relate and Affiliation Fees	20,306	13,735
Training, travel and other staff costs	37,803	20,672
Property and utility costs	26,593	52,556
External service providers	133,826	204,975
Office costs	45,117	44,431
Literature, PR and marketing	16,285	5,690
Accounting services - external provider	11,160	11,280
Sundries	6,649	1,990
	<u>959,690</u>	<u>869,905</u>

The Trustees still consider that the allocation of resources by expenditure type provides a more meaningful analysis of resources expended on charitable activities. However, the table below provides an indicative analysis of resources expended by activity including the trustees allocation of central office costs. This allocation forms the basis of the amounts as disclosed on the SOFA.

	2022 DIRECT COSTS	2022 CENTRAL ALLOCATE	2022 Total	2021 Total
Analysis of resources expended by activity				
Relationship counselling	68,929	21,173	90,102	88,636
Family counselling	3,223	2,157	5,380	9,517
PST counselling	4,676	1,568	6,244	11,254
YP counselling	280,708	105,672	386,380	202,525
Life skills	352	5,097	5,449	20,921
YP early intervention	405,750	60,385	466,135	537,052
Central office costs	196,052	(196,052)	-	-
	<u>959,690</u>	<u>-</u>	<u>959,690</u>	<u>869,905</u>

7. GOVERNANCE COSTS

Audit fee	6,300	-
Examiner's fees for examination	-	1,000
Examiner's fees for other services	1,400	1,400
	<u>7,700</u>	<u>2,400</u>

The charity incurs no other direct costs in connection with its governance.

8. NET INCOMING / (OUTGOING) RESOURCES FOR THE FINANCIAL YEAR

Net incoming / (outgoing resources) resources is stated after charging:

Depreciation - owned assets	15,266	19,466
Audit fee	6,300	-
Examiner's fees (in aggregate)	<u>1,400</u>	<u>2,400</u>

The directors received no emoluments or other benefits (2021 - £nil)

The Trustees of the charity neither received nor waived any emoluments during the year (2021 - £nil). No expenses were paid to Trustees during the year (2021 - £nil).

**RELATE LEICESTERSHIRE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. STAFF COSTS

	<u>2022</u>	<u>2021</u>
Wages and salaries	627,683	510,844
Social security costs	27,138	17,804
Pension costs	7,130	4,978
CJRS Grants	-	(19,050)
	<u>661,951</u>	<u>514,576</u>

The average headcount during the year was 45 (2021 - 36).

The average number of staff based upon full-time equivalent posts is 26 (2021 - 24).

The employment costs of the Centre Manager (who is effectively the chief operating officer) were £54,838 (2021 - £59,725).

No employee received remuneration at the rate of £60,000 per annum or above.

Wages and salaries includes £71,914 (2021 - £77,170) in respect of invoiced costs from third parties.

10. TAXATION

There is no liability to UK corporation tax on the result of the year.

11. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures & fittings	Total
Cost			
At 1 April 2021	148,899	90,521	239,420
Additions	-	6,920	6,920
	<u>148,899</u>	<u>97,441</u>	<u>246,340</u>
At 31 March 2022			
Depreciation			
At 1 April 2021	69,983	21,383	91,366
Charge for the year	1,489	13,777	15,266
	<u>71,472</u>	<u>35,160</u>	<u>106,632</u>
At 31 March 2022			
NET BOOK VALUE			
At 31 March 2022	<u>77,427</u>	<u>62,281</u>	<u>139,708</u>
At 31 March 2021	<u>78,916</u>	<u>69,138</u>	<u>148,054</u>

RELATE LEICESTERSHIRE
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NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

	<u>2022</u>	<u>2021</u>
12. DEBTORS : AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade debtors	156,170	29,057
Prepayments and accrued income	69,883	22,184
	<u>226,053</u>	<u>51,241</u>
13. CASH AT BANK AND IN HAND		
Cash and current accounts	718,051	580,180
Deposit accounts	-	-
	<u>718,051</u>	<u>580,180</u>
14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Trade creditors	7,600	54,487
Social security and other taxes	11,069	6,018
Accrued expenses and deferred income	109,059	61,882
	<u>127,728</u>	<u>122,387</u>

Deferred income comprises monies received in advance of planned deliveries for which funding has been invoiced/paid. Amount deferred is £72,485 (2021: £56,627).
All deferred income brought forward was released during the year.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2022

	Designated fund	Restricted fund	General fund	Total
Tangible fixed assets	-	-	139,708	139,708
Current assets	-	-	944,104	944,104
Current liabilities	-	-	(127,728)	(127,728)
At 31 March 2022	<u>-</u>	<u>-</u>	<u>956,084</u>	<u>956,084</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - 2021

	Designated fund	Restricted fund	General fund	Total
Tangible fixed assets	-	-	148,054	148,054
Current assets	-	-	631,421	631,421
Current liabilities	-	-	(122,387)	(122,387)
At 31 March 2021	<u>-</u>	<u>-</u>	<u>657,088</u>	<u>657,088</u>

**RELATE LEICESTERSHIRE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

16. NATIONAL RELATE

Relate Leicestershire Ltd is part of a federation with other such charities which share similar aims and objectives but is not otherwise connected to those charities.

During the year the charity paid £20,306 (2021: £13,375) to the National Relate Federation.

17. COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are £1,424 (2021: £1,424) due within one year and £1,424 (2021: £2,848) due within 1-5 years.

18. COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Directors and Trustees named on page 1. 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.

19. FUNDS

The restricted income and expenditure relates wholly to funding received in relation to Young Peoples funding on projects and courses. The funding is for the reimbursement of certain staff salaries and associated costs. This fund has no balance brought forward nor carried forward.

With the exception of the above, all other fund activity relates to the general unrestricted funds of the charity. The Trustees have not designated any funds.

20. VOLUNTEER SERVICES

No amount is recognised in the financial statements in respect of the time donated to the charity by volunteers.