

Company registration number: 05098895

Charity registration number: 1104045

# RELATE Hull and East Yorkshire

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

# **RELATE Hull and East Yorkshire**

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# **RELATE Hull and East Yorkshire**

## **Reference and Administrative Details**

<b>Trustees</b>	Mrs T. Ives, Chairperson
	Mr P. G. Stark
	Mr D. M. Piercy
	Mrs P. M. Calvert
	Ms P. J. Litten
	Mrs R. A. Harman
	Mr P.J. Choules
<b>Secretary</b>	Mrs D. Andrew
<b>Charity Registration Number</b>	1104045
<b>Company Registration Number</b>	05098895
<b>Registered Office</b>	The charity is incorporated in England and Wales.
	1 Charlotte Street Mews
	Hull
	East Yorkshire
	HU1 3BP
<b>Independent Examiner</b>	J W Smith & Co Ltd
	Independent Examiner
	Oberon House
	Ferries Street
	Hull
	HU9 1RL

## **RELATE Hull and East Yorkshire**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2022.

#### **Trustees**

Mrs T. Ives, Chairperson

Mr P. G. Stark

Mr D. M. Piercy

Mrs P. M. Calvert

Ms P. J. Litten

Mrs R. A. Harman

Mr P.J. Choules (appointed 16 November 2021)

#### **Objectives and activities**

##### ***Objects and aims***

The Charity operates in Hull and other nearby areas, providing counselling for individuals and couples.

The objectives and aims of the Charity is to educate the public concerning the benefits of secure couple relationships, marriage and family life in order to improve the emotional, sexual and spirited well-being of individuals, which is derived from committed relationships.

To promote research into all aspects of couple relationships and marriage and to make the results available to the public.

To seek to enhance the good health, both mental and physical, of adults and children by increasing public awareness of the benefit of committed couple relationships, marriage and family life and working to prevent poverty and hardship and distress caused by the breakdown of such relationships.

##### **Statement of Common Purpose**

Relate's role is to help people build better couple relationships

to enhance the quality of couple and parental family relationships

to help relationships and marriage withstand the pressures leading to breakdown

to limit the damage which commonly accompanies failing relationships, separation and divorce, and increase the prospect of subsequent relationships succeeding.

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

Relate believes that:

- An individual's physical well-being and emotional and mental health benefit from a committed relationship
- Children thrive in families where relationships are free from destructive conflict
- People gain from an understanding of their sexuality
- Expressing clear commitment is a helpful contribution to a healthy and secure couple relationship

The trustees have paid due regard to guidance issued by the Charities Commission in deciding what activities the charity should undertake.

The Charity has provided counselling services in a variety of contexts, some of which discussed in detail below. The majority of our income comes from contracted services, which has been the case for some time now.

# **RELATE Hull and East Yorkshire**

## **Trustees' Report**

### ***Objectives, strategies and activities***

#### **Education & Training**

We have continued working with CAFCASS providing Parenting Information Courses, this has now been extended to March 2023. This is provided when Family Law Courts request either one or both parties should attend these workshops. They are for family members who are in conflict over child contact. This is usually parents but can also be grandparents or other family members:

We also continue to direct any profit in this area to providing counselling for members of the public who are unable to make a donation towards our services.

We also continue to review our current Life Skills courses.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## **RELATE Hull and East Yorkshire**

### **Trustees' Report**

#### **Chairperson's Report 2021/2022**

We started 2021 in a strong position despite the previous years many challenges due to the Covid 19 pandemic. We have obviously suffered as an organisation alongside all the other registered charities. As a result, we have had to think through and approach things differently and plan carefully how we could continue to provide the first-class service that our clients and indeed our Relate family are accustomed to. I am delighted to be able to say that we survived and flourished, continuing to provide a hybrid type approach to working which would work well for both counselling our clients and allowing the Relate staff to be able to operate in a safe environment. It seems that some of the adaptations and processes will perhaps continue long after the pandemic and as we have all in our lives got used to doing things differently which was previously not "the norm".

We found ourselves in a comfortable position financially due to the cost savings on the running costs and this has been put to good use to both secure the platform of the charity but also fund some much needed repairs and alterations at Charlotte Street Mews. The environment that we can now invite our clients in to, and our staff to work in has provided us with an office and counselling rooms fit for the future and a real pleasure to be in. The Board of Trustees was also strengthened when we welcomed Peter Choules on to the team. Peter brings with him a wealth of knowledge from his career working for the East Riding Clinical Commissioning group which is invaluable. It is appropriate to thank all the Trustees for their time and dedication in supporting and guiding the Relate team, especially through the toughest of times we have experienced.

Some of the contract work that we undertake comes under the Relate central organisation, however we continue to maintain and fulfil the contracts that we independently and successfully bid for. An example of this was the successful review meeting we had with CAFCASS when the contract was extended by 12 months to 2023. Additionally, we are proud to be able to offer counselling services to front line services such as NHS Staff including students, Care Home staff, domiciliary care staff and social care staff in all sectors as well as emergency service workers which includes ambulance crews and the police force. We are a charity at heart and still continue to provide a service to the wider areas of Hull and the East Yorkshire for those that cannot afford to pay for private counselling on a voluntary contribution scheme or indeed free for those unable to contribute.

Our funds raised from our charity shop in Anlaby continues to support the service to provide counselling and we are grateful to the volunteers who give their time to enable to keep this little shop running which is much valued in the community where it is based.

Our management team under the guidance of Debbie Andrew continues to provide an exceptional and very professional service, and I would like to thank them for their sterling efforts. The Board of Trustees have continued to provide support and guidance and I would also like to extend my gratitude to them.

The ongoing success of Relate Hull & East Yorkshire is certainly an example of dedication and good business acumen and as we reflect on this last year, I believe the foundations have been firmly built to sustain us onwards and upwards for the future.

# **RELATE Hull and East Yorkshire**

## **Trustees' Report**

### **SNAPSHOT OF WORK**

	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Counselling Sessions</b>	5504	4999	4458
<b>PST Sessions</b>	463	518	650
<b>Sex Addiction</b>	31	9	0
<b>YP Counselling</b>	18	22	1
<b>Family Counselling</b>	90	6	5
<b>Individual Assessments</b>	344	65	218
<b>TOTAL</b>	<b>6450</b>	<b>5619</b>	<b>5332</b>

The reduction in the total number of sessions is in line with the reduction of the hours available from the counsellors and the number of sessions required by our clients.

PST sessions are now increasing in line with offering additional face to face sessions and the addition of a trainee sex therapist.

We are currently reviewing our Family Counselling Service as we only have one therapist who has returned to face to face counselling.

## **RELATE Hull and East Yorkshire**

### **Trustees' Report**

**A Sample of feedback received at our end of treatment were:**

"It wasn't a one size fits all, it was tailored to my need and my knockbacks, it felt very personal"

"When it was appropriate, the process was halted so that difficulties could be worked through."

"The flexibility in approach, especially towards the end."

"Really enjoyed the sessions and have taken so much more away from this process than I expected!"

"Having meetings on Zoom has been good, been able to allocate time without the additional travel time, has made it much more accessible."

"Keep Zoom as an option as this could help reach more people"

"My therapist helped me through some tough memories and helped me move forward. I would like you to know that I am now a mummy to a healthy little girl"

"The openness and inclusivity, I felt there was nothing I would say that would shock."

"If I didn't understand anything, it was explained."

"We have had a good journey, no negativity, all our questions/queries and upsets have been understood. The service is invaluable and has changed our lives and I couldn't recommend it highly enough."

"Such a supportive, non-judgemental service from all areas "

"Although I wasn't sure at the first, webcam appointments were really helpful, especially as they were in an evening."

"A great service, understanding of my initial trepidation"

"Everyone is so friendly, and we were able to do this from home"

"Friendly admin staff. The therapist genuinely cared for me and my problems and I feel much more confident going forward"

"Our therapist was wonderful, and it really helped to do Webcam from home."

"Thank you very much for your help and services. I didn't think I could get help for my specific problem, but I did and I am confident about facing my addiction to help my sex life"

"I was able to talk to an understanding, supportive listener"

"I was able to vent frustration , to then listen to calm reasoning."

"I felt I shouldn't be wasting someone else's valuable place, but I'm so glad I did. I was helped so much, I can't explain how different I feel now.

I was greiving for an abusive close family member and was struggling, and I didn't really know why Just talking all my feelings through has given me perspective. Thank you to all involved so much."

"My therapist enabled me to find ways to think more positively and really listened to my thoughts and feelings. She was very professional, kind and understanding."

#### **Going concern**

The Charity depends on contracts from various bodies, who are affected by the current economic climate and funding decisions by Local and National Bodies, but the trustees are confident that the accounts can be prepared on a going concern basis



# **RELATE Hull and East Yorkshire**

## **Trustees' Report**

### **Structure, governance and management**

#### ***Nature of governing document***

The Charity is a company limited by guarantee and constitutes a limited company as defined by the Companies Act 2006 and is controlled by its governing document, a deed of trust.

Charity status was given on 28th May 2004 and was incorporated on 8th April 2004.

RELATE Hull & East Yorkshire is part of the RELATE Federation but nevertheless is a separate Charity in its own right and as such has to raise its own funds.

#### ***Recruitment and appointment of trustees***

RELATE Hull & East Yorkshire recognises that an effective board of trustees is essential if the Charity is to be effective in achieving its objectives. The board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the Charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the Charity's activities, to enable them to carry out their role and to represent the Charity at meetings and other events.

RELATE Hull & East Yorkshire seeks to ensure diversity in its board of trustees as well as in its staff base and consideration will be given to ways in which groups that are under-represented on the board might be reached and encouraged to apply. However, at the point of selection the board will not discriminate unfairly on any of the grounds listed in the Equal Opportunities Policy.

#### ***Induction and training of trustees***

People enquiring to become trustees will be sent appropriate documentation about the Charity, introductory material about trusteeship and will be asked to complete an application form. Arrangements will be made to assist any potential applicant with specific needs in relation to completion of the form or access to the supporting materials.

#### ***Arrangements for setting key management personnel remuneration***

The remuneration of all staff including senior management is reviewed annually by the finance committee (consisting of Trustees of the Charity).

#### ***Organisational structure***

Managing Director - Debbie Andrew

Supervisors - Paul Baker, Noreen Thomson, Siobhan Lane and Rosie Trafford (resigned April 2020)

Business Intelligence Manager - Dawn Blake

Operations Manager- June Walker

Charity Shop Manager - Joanne Marshall

Office Manager - Maria Bell

We have 13 staff members providing support for the organisation and 7 volunteers.

We currently have 18 counsellors providing a mixture of Relationship Counselling, Psychosexual Therapy, Family and Young People's Counselling. They also provide generic counselling for stress and anxiety.

Our Charity Shop is run by the manager with the help of 10 volunteers.

## **RELATE Hull and East Yorkshire**

### **Trustees' Report**

#### ***Major risks and management of those risks***

##### ***Risk Management***

The trustees have assessed the major risks to which the Charity is exposed, these include loss of contract work and the loss of the Hull Building; which is leased.

The trustees are satisfied that systems are in place to mitigate exposure to the major risks.

We have expanded the number and range of contracts to ensure that the loss of some contracts would not greatly affect our provision of services and employment of our current staff.

#### **Guiding Principles**

The Directors of Relate acknowledge that future needs of beneficiaries must not be compromised in providing current services and so future risks and liabilities need to be assessed periodically in order to maintain a proportionate and adequate level of reserves. It is also recognised that free reserves are to be the value of unrestricted funds, less the current value of any fixed assets held as unrestricted funds.

#### **Reasons for maintaining reserves:**

Cash Flow - Some funds are claimed and received retrospectively. This may be on a monthly or quarterly basis. It would also be necessary to allow for actual payment from claim date, and this alone could be a further month.

Uncertainty - Some funding arrangements are made retrospectively. Some service levels agreements are not fully agreed until June/July each year, although they are to start in April. We may be expending funds in good faith that we may not be able to recover. Also, negative outcomes may mean redundancies that would need funding:

- Some funded projects incur unexpected expenditure beyond budget levels.
- Certainty some funding will end at a pre-determined date, and projects may continue for an intervening period until new funding is identified
- Some funded projects expenditure trends may indicate that the project will be set to overspend beyond agreed funding and may need top-up funds

#### **Financial instruments**

##### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

##### ***Cash flow risk***

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

# **RELATE Hull and East Yorkshire**

## **Trustees' Report**

### ***Credit risk***

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of Accounting policies in the financial statements.

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of RELATE Hull and East Yorkshire for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 3 November 2022 and signed on its behalf by:

.....  
Mr P. G. Stark  
Trustee

## **RELATE Hull and East Yorkshire**

### **Independent Examiner's Report to the trustees of RELATE Hull and East Yorkshire ("the Company")**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

#### **Responsibilities and basis of report**

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

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

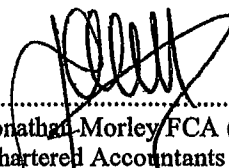
#### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants, which is one of the listed bodies.

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

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

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



Jonathan Morley FCA (J W Smith & Co Ltd)  
Chartered Accountants

Oberon House  
Ferries Street  
Hull  
HU9 1RL

7 November 2022

# RELATE Hull and East Yorkshire

## Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £
<b>Income and Endowments from:</b>			
Charitable activities	3	411,264	411,264
Other trading activities	4	43,233	43,233
Investment income	5	27	27
Total income		<u>454,524</u>	<u>454,524</u>
<b>Expenditure on:</b>			
Raising funds	6	(21,939)	(21,939)
Charitable activities	7	(416,552)	(416,552)
Total expenditure		<u>(438,491)</u>	<u>(438,491)</u>
Net income		<u>16,033</u>	<u>16,033</u>
Net movement in funds		16,033	16,033
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>226,051</u>	<u>226,051</u>
Total funds carried forward	18	<u>242,084</u>	<u>242,084</u>
	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Charitable activities	3	426,362	426,362
Other trading activities	4	53,086	53,086
Investment income	5	132	132
Total income		<u>479,580</u>	<u>479,580</u>
<b>Expenditure on:</b>			
Raising funds	6	(22,704)	(22,704)
Charitable activities	7	(434,789)	(434,789)
Total expenditure		<u>(457,493)</u>	<u>(457,493)</u>
Net income		<u>22,087</u>	<u>22,087</u>
Net movement in funds		22,087	22,087
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>203,964</u>	<u>203,964</u>
Total funds carried forward	18	<u>226,051</u>	<u>226,051</u>

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

The notes on pages 14 to 24 form an integral part of these financial statements.

**RELATE Hull and East Yorkshire**

**Statement of Financial Activities for the Year Ended 31 March 2022  
(Including Income and Expenditure Account and Statement of Total Recognised Gains  
and Losses)**

The funds breakdown for 2021 is shown in note 18.

**RELATE Hull and East Yorkshire**

**(Registration number: 05098895)**  
**Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	30,075	33,937
<b>Current assets</b>			
Stocks	13	585	585
Debtors	14	68,891	47,709
Cash at bank and in hand	15	171,394	171,195
		240,870	219,489
<b>Creditors: Amounts falling due within one year</b>	16	(28,861)	(27,375)
<b>Net current assets</b>		212,009	192,114
<b>Net assets</b>		242,084	226,051
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		242,084	226,051
<b>Total funds</b>	18	242,084	226,051

For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 11 to 24 were approved by the trustees, and authorised for issue on 3 November 2022 and signed on their behalf by:

.....  
Mr P. G. Stark  
Trustee

The notes on pages 14 to 24 form an integral part of these financial statements.

## **RELATE Hull and East Yorkshire**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £0.01 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

1 Charlotte Street Mews  
Hull  
East Yorkshire  
HU1 3BP

These financial statements were authorised for issue by the trustees on 3 November 2022.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

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 (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

RELATE Hull and East Yorkshire 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 in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Income and endowments**

##### ***Investment income***

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.



## **RELATE Hull and East Yorkshire**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold Land	Not Depreciated
Freehold Buildings	1% & 10% on Cost
Furniture & Shop Refit	15% on Reducing Balance, 10% and 20% on Cost
Office Equipment	33.4% on Cost

#### **Stock**

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

## **RELATE Hull and East Yorkshire**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

**Notes to the Financial Statements for the Year Ended 31 March 2022**

**Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

**Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

**Financial instruments**

***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## **RELATE Hull and East Yorkshire**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## RELATE Hull and East Yorkshire

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### *Debt instruments*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

## RELATE Hull and East Yorkshire

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

#### **3 Income from charitable activities**

	Unrestricted funds General £	Total funds £
Incoming Resources for Charitable Activities	411,264	411,264
<b>Total for 2022</b>	<b>411,264</b>	<b>411,264</b>
<b>Total for 2021</b>	<b>426,362</b>	<b>426,362</b>

#### **4 Income from other trading activities**

	Unrestricted funds General £	Total funds £
Trading income;		
Shop income from sale of donated goods and services	36,718	36,718
Other trading income	6,515	6,515
<b>Total for 2022</b>	<b>43,233</b>	<b>43,233</b>
<b>Total for 2021</b>	<b>53,086</b>	<b>53,086</b>

#### **5 Investment income**

# RELATE Hull and East Yorkshire

## Notes to the Financial Statements for the Year Ended 31 March 2022

	Unrestricted funds General £	Total funds £
Interest receivable and similar income;		
Interest receivable on bank deposits	27	27
<b>Total for 2022</b>	<b>27</b>	<b>27</b>
<b>Total for 2021</b>	<b>132</b>	<b>132</b>

### 6 Expenditure on raising funds

#### a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Trading subsidiary costs		21,939	21,939
<b>Total for 2022</b>		<b>21,939</b>	<b>21,939</b>
<b>Total for 2021</b>		<b>22,704</b>	<b>22,704</b>
			<b>Total costs £</b>

### 7 Expenditure on charitable activities

	Unrestricted funds General £	Total funds £
Cost of Generating Charitable Income	161,070	161,070
General	229,734	229,734
Property and Administration	21,672	21,672
<b>Total for 2022</b>	<b>412,476</b>	<b>412,476</b>
<b>Total for 2021</b>	<b>431,315</b>	<b>431,315</b>

## RELATE Hull and East Yorkshire

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Activity undertaken directly £	Total expenditure £
Cost of Generating Charitable Income	161,070	161,070
General	229,734	229,734
Property and Administration	21,672	21,672
<b>Total for 2022</b>	<b>412,476</b>	<b>412,476</b>
<b>Total for 2021</b>	<b>431,315</b>	<b>431,315</b>

In addition to the expenditure analysed above, there are also governance costs of £4,076 (2021 - £3,474) which relate directly to charitable activities. See note 8 for further details.

#### 8 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total funds £
Independent examiner fees		
Examination of the financial statements	2,983	2,983
Legal fees	1,093	1,093
<b>Total for 2022</b>	<b>4,076</b>	<b>4,076</b>
<b>Total for 2021</b>	<b>3,474</b>	<b>3,474</b>

#### 9 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses from the charity during the year.

#### 10 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	2,983	2,880

#### 11 Taxation

The charity is a registered charity and is therefore exempt from taxation.



# RELATE Hull and East Yorkshire

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2021	32,512	70,946	103,458
Additions	-	6,496	6,496
At 31 March 2022	32,512	77,442	109,954
<b>Depreciation</b>			
At 1 April 2021	17,724	51,797	69,521
Charge for the year	1,523	8,835	10,358
At 31 March 2022	19,247	60,632	79,879
<b>Net book value</b>			
At 31 March 2022	13,265	16,810	30,075
At 31 March 2021	14,788	19,149	33,937

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £13,265 (2021 - £14,788) in respect of leaseholds.

### 13 Stock

	2022 £	2021 £
Stocks	585	585

### 14 Debtors

	2022 £	2021 £
Trade debtors	63,600	40,403
Other debtors	5,291	7,306
	68,891	47,709

### 15 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	171,394	171,195

# RELATE Hull and East Yorkshire

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 16 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,431	9,743
Other creditors	23,430	17,632
	<u>28,861</u>	<u>27,375</u>

### 17 Commitments

#### Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £Nil).

### 18 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
General	<u>226,051</u>	<u>454,524</u>	<u>(438,491)</u>	<u>242,084</u>

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
General	<u>203,964</u>	<u>479,580</u>	<u>(457,493)</u>	<u>226,051</u>

### 19 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	<u>171,195</u>	<u>199</u>	<u>171,394</u>
Net debt	<u>171,195</u>	<u>199</u>	<u>171,394</u>
	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	<u>115,731</u>	<u>55,464</u>	<u>171,195</u>
Net debt	<u>115,731</u>	<u>55,464</u>	<u>171,195</u>

**RELATE Hull and East Yorkshire****Detailed Statement of Financial Activities for the Year Ended 31 March 2022**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Income and Endowments from:</b>		
Charitable activities (analysed below)	411,264	426,362
Other trading activities (analysed below)	43,233	53,086
Investment income (analysed below)	<u>27</u>	<u>132</u>
Total income	<u>454,524</u>	<u>479,580</u>
<b>Expenditure on:</b>		
Raising funds (analysed below)	(21,939)	(22,704)
Charitable activities (analysed below)	<u>(416,552)</u>	<u>(434,789)</u>
Total expenditure	<u>(438,491)</u>	<u>(457,493)</u>
Net income	<u>16,033</u>	<u>22,087</u>
Net movement in funds	16,033	22,087
<b>Reconciliation of funds</b>		
Total funds brought forward	<u>226,051</u>	<u>203,964</u>
Total funds carried forward	<u><u>242,084</u></u>	<u><u>226,051</u></u>

# RELATE Hull and East Yorkshire

## Detailed Statement of Financial Activities for the Year Ended 31 March 2022

	Total 2022 £	Total 2021 £
<b>Charitable activities</b>		
Contracted Charitable Services	345,885	364,218
Client Income	31,543	15,019
Training	29,065	28,445
Grants & Donations	4,771	18,680
	<u>411,264</u>	<u>426,362</u>
<b>Other trading activities</b>		
Fundraising	36,718	24,300
Miscellaneous	6,515	28,786
	<u>43,233</u>	<u>53,086</u>
<b>Investment income</b>		
Interest Receivable	27	132
	<u>27</u>	<u>132</u>
<b>Raising funds</b>		
Charity Shop Expenses	(21,939)	(22,704)
	<u>(21,939)</u>	<u>(22,704)</u>
<b>Charitable activities</b>		
Staff Costs	(182,863)	(180,251)
Counsellors Training	(36,638)	(48,268)
Counsellors Remuneration	(116,334)	(106,279)
Counsellors Expenses	(8,098)	(7,981)
National Federation	(17,577)	(16,632)
Property Costs	(21,672)	(37,054)
Supervision	-	(8,672)
Administration Costs	(29,294)	(26,178)
Professional Costs	(1,093)	(594)
Independent Examination	(2,983)	(2,880)
	<u>(416,552)</u>	<u>(434,789)</u>