

Company registration number: 5098895

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 2023

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Service**

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RELATE Hull and East Yorkshire

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

RELATE Hull and East Yorkshire

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RELATE Hull and East Yorkshire

Reference and Administrative Details

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
Secretary	Mrs D. Andrew
Charity Registration Number	1104045
Company Registration Number	05098895
Registered Office	The charity is incorporated in England and Wales.
	1 Charlotte Street Mews
	Hull
	East Yorkshire
	HU1 3BP
Independent Examiner	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 31st March 2023.

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

Objectives and activities

Objectives 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 spiritual 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 mental and physical well-being of adults and children by increasing public awareness of the benefit of committed couple relationships, marriage and family life and working to prevent poverty, 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 individuals physical and emotional well-being 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 are 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 CAF/CASS 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

	2019/20	2020/21	2021/22	2022/23
Counselling Sessions	5504	4999	4458	4534
PST Sessions	463	518	650	624
Sex Addiction	31	9	0	28
YP Counselling	18	22	1	3
Family Counselling	90	6	5	14
Individual Assessments	344	65	218	198
TOTAL	6450	5619	5332	5401

We are starting to see a slight increase in sessions and will be building on this in the next financial year.

We continue to review the current services that we offer in line with demand.

RELATE Hull and East Yorkshire

Trustees' Report

A sample of feedback received at the end of treatment included:

"We were so worried that we couldn't be helped and although it was difficult at times our therapist really did help us, thank you so much."

"The openness and inclusivity were perfect, I felt there was nothing I would say that would shock. If there was anything I didn't understand, it was explained, thank you."

"We had fertility issues and miscarriages and the effect this had on our sex life was horrendous, but just to let you know with your help, I am now a Mummy to a healthy little girl, who is now 3 months old. Thank you so much."

"The service is invaluable and has changed our lives and we couldn't recommend it highly enough."

"This has been such a good service; our questions were answered, and it has helped us get a different perspective on our issues."

"From the very first phone call, I knew she'd be able to help me. She's an astounding therapist and an absolute credit to you. She guided me through everything very clearly and was genuinely there for me. She's made what I thought impossible possible, and I couldn't thank her enough."

"I had eight sessions through Relate and I honestly could not recommend more. I was hesitant to attend any form of counselling at first but five minutes into my first session I knew I had made the right decision to attend. My counsellor made all my appointments feel at ease and she is just an amazing person. I felt like I could speak to her about anything and witter away about any problems I may have. She supported me in whatever I said and never judged. She saw me laugh and cry but most of all made me very comfortable. When things got tough in my life at home, I knew I had my sessions coming up and my counsellor to talk to. She is a very inspirational person, and I cannot thank her enough for helping me over some of the darkness parts of my life. Thank you."

"I was made to feel comfortable to talk in a safe, non-judgmental environment. I feel that I have benefited greatly by engaging with the service and it has helped increase my confidence and resilience."

"I saw my counsellor as part of couples therapy sessions for around 7 to 8 months and found it extremely helpful in a time that I was in real crisis in my life. My counsellor was empathetic, understanding and also firm when she needed to be. I trusted her judgement and advice and sometimes needed someone to tell me how to get out of the rut I was in by helping myself. I feel in a much greater head space both personally and in my relationship and since ending our sessions towards the end of 2022, we have started a new chapter in our lives together and have put situations behind us and we are moving forward in a healthier way. I would also like to thank the Relate staff that I spoke to on the phone, or staff that greeted me when I arrived at the offices were always welcoming and friendly. Thank you for everything."

"You listened and I didn't feel you judged me."

"It really helped me be more aware of why I feel like I do."

"Felt like my counsellor listened to me so much and gave me so many ways to cope."

"My counsellor explained things from different views and how it can affect people differently. Also made me think of the impact on others."

"My therapist was very professional, friendly and understanding. The service saw me very promptly."

RELATE Hull and East Yorkshire

Trustees' Report

"My Counsellor has been very supportive; she's gone the extra mile to help me."

"My counsellor was so reassuring and helped me find my way through such a bad time. It was wonderful to know there was someone to talk to about it and who understood how I was feeling and able to suggest ways of dealing with it."

"Initial waiting time for sessions was a lot less than expected. Flexible in arranging sessions around my work."

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

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).

RELATE Hull and East Yorkshire

Trustees' Report

Organisational structure

Managing Director - Debbie Andrew

Supervisors - Paul Baker, Noreen Thomson, Siobhan Lane and and Alison Tinsley

Business Intelligence Manager - Dawn Blake

Operations Manager- June Walker

Charity Shop Manager - Joanne Marshall (Resigned December 2022)

Charity Shop Coordinator - Vicky Mandam (Appointed December 2022)

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 a Charity shop coordinator 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 level 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 14 November 2023 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 2023.

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 Molyneux FCA (J W Smith & Co Ltd)
Independent Examiner
Institute of Chartered Accountants

Oberon House
Ferries Street
Hull
HU9 1RL

15 November 2023

RELATE Hull and East Yorkshire

Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Charitable activities	3	428,683	428,683
Other trading activities	4	38,335	38,335
Investment income	5	1,341	1,341
Total income		<u>468,359</u>	<u>468,359</u>
Expenditure on:			
Raising funds	6	(19,932)	(19,932)
Charitable activities	7	(423,584)	(423,584)
Total expenditure		<u>(443,516)</u>	<u>(443,516)</u>
Net income		<u>24,843</u>	<u>24,843</u>
Net movement in funds		24,843	24,843
Reconciliation of funds			
Total funds brought forward		<u>242,084</u>	<u>242,084</u>
Total funds carried forward	18	<u>266,927</u>	<u>266,927</u>
	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
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>
Expenditure on:			
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
Reconciliation of funds			
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>

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

The notes on pages 15 to 25 form an integral part of these financial statements.

RELATE Hull and East Yorkshire

**Statement of Financial Activities for the Year Ended 31 March 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains
and Losses)**

The funds breakdown for 2022 is shown in note 18.

RELATE Hull and East Yorkshire

(Registration number: 05098895)
Balance Sheet as at 31 March 2023

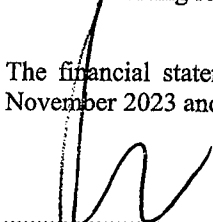
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	21,934	30,075
Current assets			
Stocks	13	585	585
Debtors	14	50,268	68,891
Cash at bank and in hand	15	205,267	171,394
		256,120	240,870
Creditors: Amounts falling due within one year	16	(11,127)	(28,861)
Net current assets		244,993	212,009
Net assets		266,927	242,084
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		266,927	242,084
Total funds	18	266,927	242,084

For the financial year ending 31 March 2023 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 12 to 25 were approved by the trustees, and authorised for issue on 14 November 2023 and signed on their behalf by:


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

RELATE Hull and East Yorkshire

Notes to the Financial Statements for the Year Ended 31 March 2023

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 14 November 2023.

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 2023

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:

Asset class	Depreciation method and rate
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 2023

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.

RELATE Hull and East Yorkshire

Notes to the Financial Statements for the Year Ended 31 March 2023

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 2023

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 2023

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 2023

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	428,683	428,683
Total for 2023	428,683	428,683
Total for 2022	411,264	411,264

4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Shop income from sale of donated goods and services	38,335	38,335
Total for 2023	38,335	38,335
Total for 2022	43,233	43,233

5 Investment income

RELATE Hull and East Yorkshire

Notes to the Financial Statements for the Year Ended 31 March 2023

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Interest receivable on bank deposits	1,341	1,341
Total for 2023	1,341	1,341
Total for 2022	27	27

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Trading subsidiary costs		19,932	19,932
Total for 2023		19,932	19,932
Total for 2022		21,939	21,939
			Total costs £

7 Expenditure on charitable activities

	Unrestricted funds General £	Total funds £
Governance Costs	3,487	3,487
Cost of Generating Charitable Income General	175,903	175,903
Property and Administration	236,437	236,437
	7,757	7,757
Total for 2023	423,584	423,584
Total for 2022	412,476	412,476

RELATE Hull and East Yorkshire

Notes to the Financial Statements for the Year Ended 31 March 2023

	Activity undertaken directly £	Total expenditure £
Governance Costs	3,487	3,487
Cost of Generating Charitable Income	175,903	175,903
General	236,437	236,437
Property and Administration	7,757	7,757
Total for 2023	423,584	423,584
Total for 2022	412,476	412,476

In addition to the expenditure analysed above, there are also governance costs of £3,487 (2022 - £4,076) 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	3,133	3,133
Legal fees	354	354
Total for 2023	3,487	3,487
Total for 2022	4,076	4,076

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

	2023 £	2022 £
Examination of the financial statements	3,133	2,983

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 2023

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2022	32,512	77,442	109,954
Additions	-	1,693	1,693
At 31 March 2023	<u>32,512</u>	<u>79,135</u>	<u>111,647</u>
Depreciation			
At 1 April 2022	19,247	60,632	79,879
Charge for the year	1,103	8,731	9,834
At 31 March 2023	<u>20,350</u>	<u>69,363</u>	<u>89,713</u>
Net book value			
At 31 March 2023	<u>12,162</u>	<u>9,772</u>	<u>21,934</u>
At 31 March 2022	<u>13,265</u>	<u>16,810</u>	<u>30,075</u>

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £12,162 (2022 - £13,265) in respect of leaseholds.

13 Stock

	2023 £	2022 £
Stocks	<u>585</u>	<u>585</u>

14 Debtors

	2023 £	2022 £
Trade debtors	33,416	63,600
Other debtors	<u>16,852</u>	<u>5,291</u>
	<u>50,268</u>	<u>68,891</u>

15 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	<u>205,267</u>	<u>171,394</u>

RELATE Hull and East Yorkshire

Notes to the Financial Statements for the Year Ended 31 March 2023

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	5,097	5,431
Other creditors	6,030	23,430
	<u>11,127</u>	<u>28,861</u>

17 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2022 - £Nil).

18 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General	<u>242,084</u>	<u>468,359</u>	<u>(443,516)</u>	<u>266,927</u>
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General	<u>226,051</u>	<u>454,524</u>	<u>(438,491)</u>	<u>242,084</u>

19 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	<u>171,394</u>	<u>(171,394)</u>	-
Net debt	<u>171,394</u>	<u>(171,394)</u>	-
	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>

RELATE Hull and East Yorkshire

Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	Total 2023 £	Total 2022 £
Income and Endowments from:		
Charitable activities (analysed below)	428,683	411,264
Other trading activities (analysed below)	38,335	43,233
Investment income (analysed below)	1,341	27
Total income	<u>468,359</u>	<u>454,524</u>
Expenditure on:		
Raising funds (analysed below)	(19,932)	(21,939)
Charitable activities (analysed below)	<u>(423,584)</u>	<u>(416,552)</u>
Total expenditure	<u>(443,516)</u>	<u>(438,491)</u>
Net income	<u>24,843</u>	<u>16,033</u>
Net movement in funds	24,843	16,033
Reconciliation of funds		
Total funds brought forward	242,084	226,051
Total funds carried forward	<u><u>266,927</u></u>	<u><u>242,084</u></u>

RELATE Hull and East Yorkshire

Detailed Statement of Financial Activities for the Year Ended 31 March 2023

	Total 2023 £	Total 2022 £
<i>Charitable activities</i>		
Contracted Charitable Services	347,509	345,885
Client Income	38,192	31,543
Training	25,370	29,065
Grants & Donations	17,612	4,771
	<u>428,683</u>	<u>411,264</u>
<i>Other trading activities</i>		
Fundraising	38,335	36,718
Miscellaneous	-	6,515
	<u>38,335</u>	<u>43,233</u>
<i>Investment income</i>		
Interest Receivable	1,341	27
	<u>1,341</u>	<u>27</u>
<i>Raising funds</i>		
Charity Shop Expenses	(19,932)	(21,939)
	<u>(19,932)</u>	<u>(21,939)</u>
<i>Charitable activities</i>		
Staff Costs	(187,652)	(182,863)
Counsellors Training	(44,922)	(36,638)
Counsellors Remuneration	(124,223)	(116,334)
Counsellors Expenses	(6,758)	(8,098)
National Federation	(18,518)	(17,577)
Property Costs	(7,757)	(21,672)
Administration Costs	(30,267)	(29,294)
Professional Costs	(354)	(1,093)
Independent Examination	(3,133)	(2,983)
	<u>(423,584)</u>	<u>(416,552)</u>