

Company no. 04754643
Charity no. 1109904
England and Wales

Gloucestershire Counselling Service
Annual Report and Audited Accounts
31 August 2022

Gloucestershire Counselling Service

Reference and administrative details

For the year ended 31 August 2022

Status	The organisation is a charitable company limited by guarantee, incorporated on 6 May 2003 and registered as a charity on 7 June 2005.	
Governing document	The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.	
Company number	04754643	
Charity number	1109904	
Registered office and operational address	Alma House 52-53 High Street Stroud Gloucestershire GL5 1AP	
Trustees	Nigel Brabbins Nicola De longh Lynn Emslie Julia Jones Jim Laidlaw Emma Payne Katherine Rooksby	8 May 2017 to current (Treasurer) 11 February 2016 to current 6 May 2017 to current 4 October 2018 to 26 July 2022 (Chair to 26 July 2022) 28 May 2020 to current 16 March 2017 to 26 July 2022 1 September 2014 to current (Chair from 26 July 2022)
Company secretary	Ellen Edwards	
Senior leadership team	Emma Griffiths Fiona Phelps Ellen Edwards Joanne Kelly	Chief Executive Officer (resigned 31 July 2022) Chief Executive Officer (from 27 June 2022) and Head of Training (to 27 June 2022) Head of Finance Head of Counselling (from 1 October 2021 to 1 July 2022)
Auditors	Godfrey Wilson Ltd Chartered accountants and statutory auditors 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

Gloucestershire Counselling Service

Reference and administrative details

For the year ended 31 August 2022

Bankers

Santander UK plc
Bridle Road
Bootle
Merseyside
L30 4GB

Redwood Bank
The Nexus Building, Broadway
Letchworth Garden City
Hertfordshire
SG6 3TA

Hampshire Trust Bank
55 Bishopgate
Cornhill
London
EC2N 3AS

Monmouthshire Building Society
Monmouthshire House
John Frost Square
Newport
NP20 1PX

Aldermore
1st Floor, Block B
Western House
Lynch Wood
Peterborough
PE2 6FZ

United Trust Bank
One Ropemaker Street
London
EC2Y 9AW

Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

Structure, governance and management

Gloucestershire Counselling Service (GCS) was first registered as a charity on 14 June 1984. The charity became a charitable company limited by guarantee, incorporated on 6 May 2003 and the company was registered as a charity on 5 June 2005. It was originally established under a Memorandum of Association, which established its objects and powers and was governed by its Articles of Association. New Articles of Association were adopted in 2018 which provide the organisation with a more robust governance framework.

The charity is a company, limited by guarantee, as defined by the Companies Act 2006.

GCS has an active board of five trustees, comprising Acting Chair, Vice Chair, Treasurer and two others. Changes during the year ending August 2022 with the resignation of two trustees will lead to recruitment commencing in September 2022. All trustees are appointed for an initial term of three years. No trustee may serve more than nine years, unless in exceptional circumstances and with prior agreement from the Board.

Trustees are recruited by open advertisement detailing the attributes that have been identified by an attribute audit. Vacancies are then promoted across a variety of networks across the county, individuals must complete an application form before being invited to an interview. Recommendations are then made to the board who will vote in new board members.

New trustees are provided with a copy of the Gloucestershire Counselling Service's key documents, the Articles of Association, a copy of the latest annual report & accounts and minutes of recent trustee meetings.

The induction, led by the Chair of trustees, includes:

- An explanation of the purposes and activities of GCS;
- The trusts and procedures which govern the trustees' actions;
- The organisation of GCS; and
- The source of funding and the nature of resources.

It is the responsibility of the Board and Company Secretary to ensure that GCS has effective governance arrangements, including a sound system of internal control, as well as continuously striving to improve its governance and meeting changing legal and other requirements.

The Board is scheduled to meet quarterly to discuss the strategic direction of GCS, ensure core aims and objectives are being met in the most efficient way, take account of any risks facing the organisation and ensure that all legal obligations are satisfied.

The trustees are responsible for the strategic direction of the charity delegating day-to-day decision making and operational responsibilities to the Chief Executive Officer and Senior Management Team to deliver within the parameters of the agreed budget.

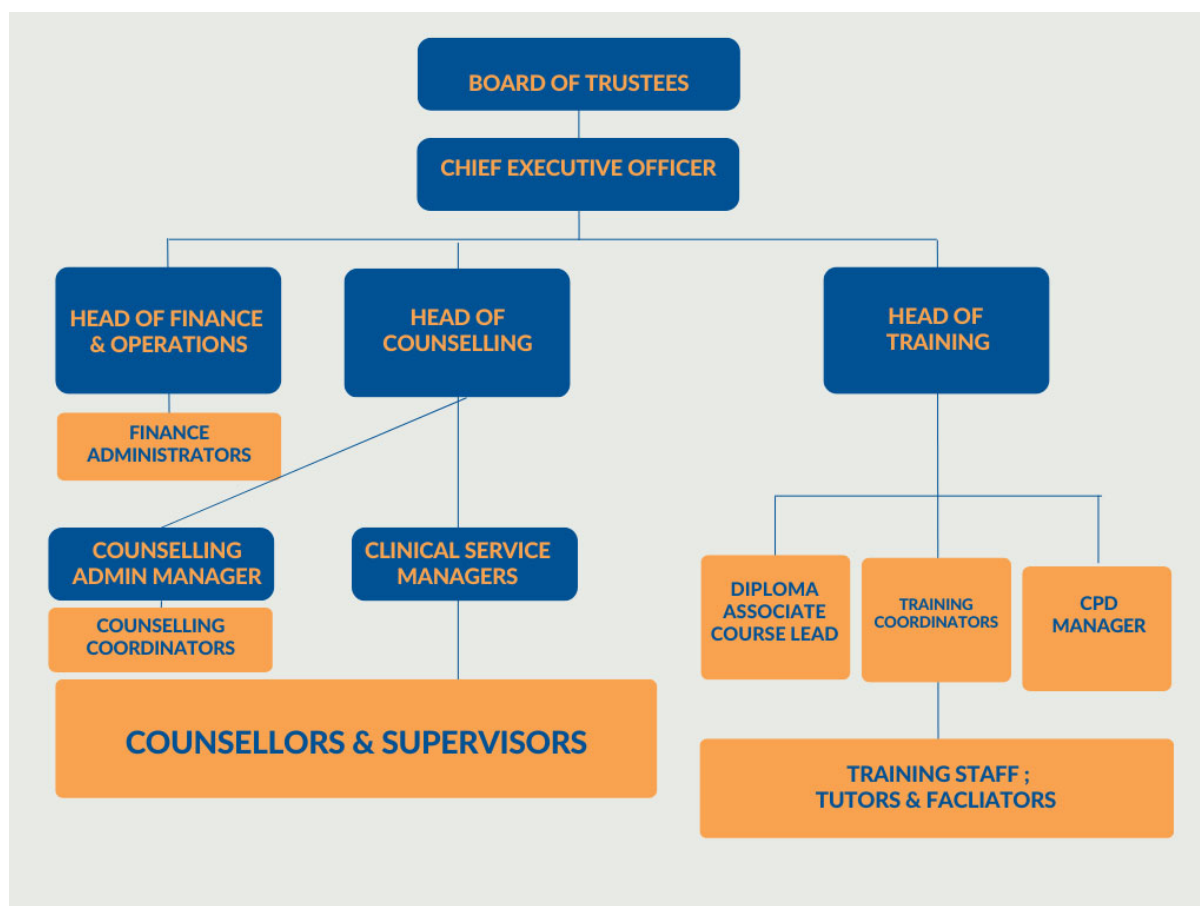
The Board review the pay rate across the organisation on an annual basis benchmarking against similar sized charitable organisations and organisations that undertake similar activities.

Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

GCS Counselling Services is a British Association for Counselling and Psychotherapy (BACP) Accredited Service which requires the charity to adhere to high levels of professional standards and ethics. GCS is a Member Institute of the British Psychoanalytic Council (BPC), who accredit the Diploma in Counselling and offer professional accreditation to qualified counsellors.



Objectives and activities

GCS objectives are:

1. The relief of people suffering from emotional or psychological distress or relationship problems principally to the community of Gloucestershire and its surrounds by the provision of high-quality counselling; and
2. To advance education and training in counselling and to promote awareness of the effectiveness of counselling.

GCS delivers public benefit through the provision of affordable counselling services and professional counselling training to the people of Gloucestershire. In shaping our activities, the trustees have regard to the Charity Commission's guidance on public benefit. Further detail about the ways in which we deliver counselling and training services are outlined below:

Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

Our Counselling Services	Our Training Services
 Adult	 Introduction to Counselling & Listening Skills
 Couple	 Certificate in Counselling Skills
 Child & Family	 Diploma in Psychodynamic Counselling
 School	 Post Qualification Courses
 Employee Wellbeing	 CPD & Workshops
 GP Contract	 Training for Organisations
 Other Professional Services	

GCS continues to see an increase in counselling services with 8% more sessions delivered in 2021/2022 in comparison to the previous year and a 4% rise in those who accessed our training services.

The strategy for achieving our objectives is outlined within our three-year business plan delivered by the Senior Management Team. Work this year has commenced to review this plan for 2022/2023 as the response that the organisation provided to the needs of the community during COVID has meant that adjustments are required in order for the business plan to remain meaningful to the current activities of the organisation.

The short-term goals of the organisation focus on building resilience in the processes, ways of working and in the strategic approach of the organisation. Work has already commenced with a workshop that has focused on the development of our Board as well as three workshops focusing on the articulation of the values and purpose of the organisation involving over 40 of our staff. We are committed to the digital transformation of the organisation having started the journey of scoping, mapping and making improvements in the technical support we have available and have identified this as a short-term goal to ensure that we have the operating systems that enable us to work efficiently and effectively. These short-term goals contribute towards our longer-term goals of reaching more people within Gloucestershire with the services that we offer.

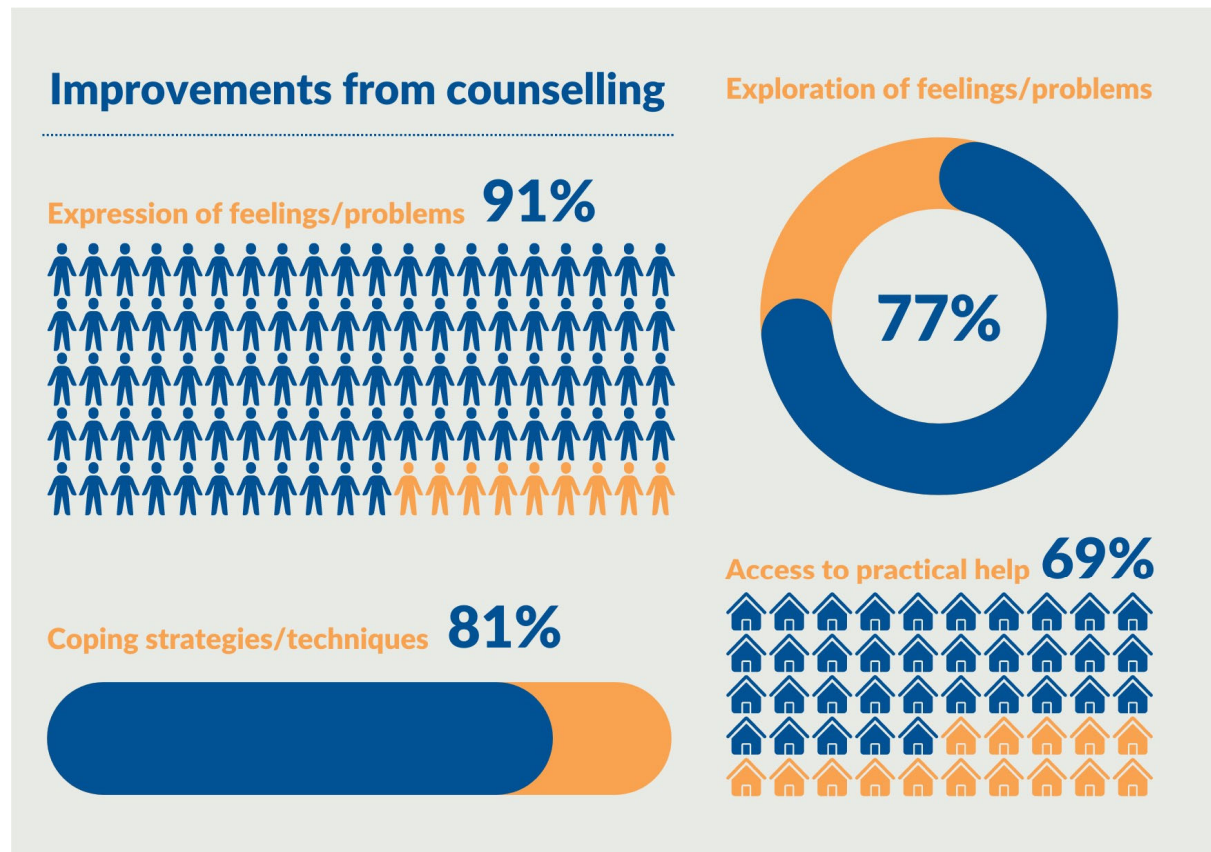
Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

Achievements and performance

At the fore of our achievements this year is the impact that we have made to those who have accessed our services.



Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022



At GCS our Training department has celebrated the qualification of the cohort of trainee counsellors whose training journey has continuously been adapted to COVID restrictions. Despite this, they have been able to graduate having participated and fulfilled the rigorous criteria that the British Psychoanalytic Council accredited course provides. GCS Training has had another full intake of Diploma trainees for 2021/2022 which is an important part of supporting the development and sustainability of counselling resources. We have expanded the delivery of our training programmes with the introduction of the Intensive Certificate in Counselling Skills which has enabled us to increase the number of students training in Counselling Skills by offering an alternative format for those who are unable to attend weekly tutorials over the year.

As an organisation we have experienced a level of exceptional change within the leadership of the organisation in both the Board and the Senior Management Team. The efforts and contributions of those who have been involved in GCS, in particular CEO Emma Griffiths, have stood the organisation in good stead to continue to deliver services and make appointments which will enable the next stage of development of the organisation. Specific thanks to those who have contributed to GCS during 2021/2022 and are no longer with the organisation.

Clinical resources are a key challenge in delivering mental health services within the county as demand for counselling is rising, and it has been particularly difficult to recruit for clinical leadership roles which leaves an unfilled vacancy of Head of Counselling for the year. We have responded to this with expertise from external consultants to ensure that there is the clinical oversight necessary to deliver our services.

Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

Challenges with recruiting counsellors to meet demand has also meant there has been a continued focus of retention of staff which has included reviewing terms and conditions of employment alongside expanding the offer of Continuous Professional Development which is provided to our staff.

This includes training focused on counselling presenting needs such as sexual violence as well as leadership training such as Quolux and ILM courses.

Fundraising

The fundraising responsibilities within the organisation have been jointly shared by the CEO with the support of external Fundraiser, Sarah Rawlings. All applications are reviewed by the CEO before being submitted by GCS or for any person action on behalf of the GCS. Neither GCS or the external Fundraiser, Sarah, are subscribed to the fundraising regulator and no complaints have been received regarding fundraising activities.

The fundraising strategy has been mainly reacting to the post-Covid landscape which has seen a continued high demand for access to services combined with an increase in complexity of presenting cases. Receiving a significant grant from Charities Aid Foundation has allowed us to refocus on strategy and the purpose of the organisation and laying out the foundations for the development of a five-year fundraising strategy.

Financial review

Total income for 2021/2022 was £1,127,966 and total expenditure for 2021/2022 was £1,017,276, leaving a surplus of £110,690.

GCS income comes from a variety of sources with most of the income being self-generated. The risk to the organisation of losing a particular income stream is therefore minimised. GCS receives its income from:

- Client fees for counselling;
- Contracts with the County Council and ICB to provide funded counselling;
- Trainee fees for training courses;
- A GP contract and 10 school contracts;
- EWS contracts with local employers to provide counselling for their employees;
- Contracts to provide clinical supervision externally; and
- Grant funding and trust income

Demand for our services has continued to increase and the majority of those in receipt of GCS counselling services contribute a reduced payment which is subsidised by resources from other sources. We seek funding from external sources such as trust and grants to ensure we can continue to offer an accessible service to fee-paying clients.

Reserves policy

Alma House is a Grade II listed building with a commercial full repair lease, with an obligation to carry out ongoing maintenance and repairs. Major roof repair works were carried out in the year ending 2016/17. With this in mind, we have designated £25,000 to cover any future maintenance and building repair costs.

Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

It is considered prudent to hold a reserve of three to six months core operating costs. This is to enable the charity to continue to operate in the event of an interruption to its income streams and also to wind down its operations in a controlled manner should this become necessary. An amount has also been included to cover redundancy costs in the event of a winding up. General reserves held at the year-end were £637k which covers three to six months of the budgeted operating costs for 2022/23.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

Select suitable accounting policies and then apply them consistently;

- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Gloucestershire Counselling Service

Report of the trustees'

For the year ended 31 August 2022

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Godfrey Wilson were appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 5 January 2023 and signed on their behalf by:



Katherine Rooksby - Acting Chair

Independent auditors' report

To the members of

Gloucestershire Counselling Service

Opinion

We have audited the financial statements of Gloucestershire Counselling Service (the 'charity') for the year ended 31 August 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Gloucestershire Counselling Service

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- The financial statements are not in agreement with the accounting records and returns;
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

Other matters

The financial statements for the year ended 31 August 2021 were not audited because the charity was below the statutory audit threshold.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

Gloucestershire Counselling Service

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

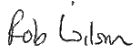
To the members of

Gloucestershire Counselling Service

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 5 January 2023

Rob Wilson FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Gloucestershire Counselling Service

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 August 2022

		Restricted £	Unrestricted £	2022 Total £	Restated 2021 Total £
	Note				
Income from:					
Donations	3	219,601	23,158	242,759	137,975
Charitable activities:	4				
Counselling		49,280	613,438	662,718	634,869
Training		3,000	209,030	212,030	157,221
Other trading activities	5	-	4,805	4,805	235
Investments		-	5,654	5,654	3,419
Total income		<u>271,881</u>	<u>856,085</u>	<u>1,127,966</u>	<u>933,719</u>
Expenditure on:					
Raising funds		-	45,852	45,852	35,064
Charitable activities:					
Counselling		298,486	454,052	752,538	591,190
Training		-	218,886	218,886	178,760
Total expenditure	7	<u>298,486</u>	<u>718,790</u>	<u>1,017,276</u>	<u>805,014</u>
Net income / (expenditure)		(26,605)	137,295	110,690	128,705
Transfers between funds		-	-	-	-
Net movement in funds	8	(26,605)	137,295	110,690	128,705
Funds at the start of the year		<u>31,469</u>	<u>534,313</u>	<u>565,782</u>	<u>437,077</u>
Funds at the end of the year		<u><u>4,864</u></u>	<u><u>671,608</u></u>	<u><u>676,472</u></u>	<u><u>565,782</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed above and in note 16 to the financial statements.

The 2021 comparatives have been restated as set out in note 18 to the accounts.

Gloucestershire Counselling Service

Balance sheet

As at 31 August 2022

	Note	£	2022 £	Restated 2021 £
Fixed assets				
Tangible fixed assets	11		9,261	20,998
Current assets				
Debtors	12	29,731		54,928
Current asset investments		255,046		256,374
Cash at bank and in hand		603,015		354,881
		887,792		666,183
Creditors: amounts due within 1 year	13	(220,581)		(121,399)
Net current assets			667,211	544,784
Net assets	15		676,472	565,782
Funds	16			
Restricted funds			4,864	31,469
Unrestricted funds:				
Designated funds			25,000	25,000
General funds			646,608	509,313
Total funds			676,472	565,782

The directors acknowledge their responsibilities for:

- ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

Approved by the trustees on 5 January 2023 and signed on their behalf by:



Katherine Rooksby
Acting Chair of Trustees

Gloucestershire Counselling Service

Statement of cash flows

For the year ended 31 August 2022

	2022 £	Restated 2021 £
Cash used in operating activities:		
Net movement in funds	110,690	128,705
<i>Adjustments for:</i>		
Depreciation charges	14,731	16,284
Loss on disposal of fixed assets	-	1,417
Investment income	(5,654)	(3,419)
Decrease / (increase) in debtors	25,197	(30,601)
Increase in creditors	99,182	57,143
Net cash provided by operating activities	244,146	169,529
Cash flows from investing activities:		
Dividends, interest and rents from investments	5,654	3,419
Purchase of tangible fixed assets	(2,994)	-
Net cash provided by investing activities	2,660	3,419
Increase in cash and cash equivalents in the year	246,806	172,948
Cash and cash equivalents at the beginning of the year	611,255	438,307
Cash and cash equivalents at the end of the year	858,061	611,255
Cash and cash equivalents are represented by:		
Cash at bank and in hand	603,015	354,881
Current asset investments	255,046	256,374
	858,061	611,255

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Gloucestershire Counselling Service 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. Given the increasing demand for services and the healthy unrestricted surplus generated in 21/22, the trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

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

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of counselling or training services is deferred until criteria for income recognition are met.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

e) Funds accounting

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

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

1. Accounting policies (continued)

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is based on a proportion of direct costs:

	2022	2021
Raising funds	4.5%	4.4%
Counselling	74.0%	73.4%
Training	21.5%	22.2%

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years straight line
Office equipment	3 years straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

1. Accounting policies (continued)

m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

n) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the statement of financial activities. The total employer pension contributions payable in the year were £9,068 (2021: £6,136).

o) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

q) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1 (h).

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

2. Prior period comparatives (restated)

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations	92,045	45,930	137,975
Charitable activities:			
Counselling	82,052	552,817	634,869
Training	-	157,221	157,221
Other trading activities	-	235	235
Investments	-	3,419	3,419
Total income	174,097	759,622	933,719
Expenditure on:			
Raising funds	-	35,064	35,064
Charitable activities:			
Counselling	208,305	382,885	591,190
Training	-	178,760	178,760
Total expenditure	208,305	596,709	805,014
Net income / (expenditure) and net movement in funds	(34,208)	162,913	128,705

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

3. Donations

	Restricted £	Unrestricted £	2022 Total £
General donations	-	785	785
Grant income:			
Barnwood Trust	23,843	-	23,843
Co-op	-	1,373	1,373
Charities Aid Foundation	195,758	-	195,758
Gloucestershire Public Health	-	20,000	20,000
Waitrose	-	1,000	1,000
	<u>219,601</u>	<u>23,158</u>	<u>242,759</u>

Prior period comparatives

	Restricted £	Unrestricted £	2021 Total £
General donations	-	6,278	6,278
Grant income:			
Barnwood Trust	3,695	-	3,695
Charities Aid Foundation	18,850	-	18,850
Gloucestershire County Council	-	5,000	5,000
Gloucestershire Community Foundation	-	2,500	2,500
Gloucestershire Public Health	-	20,000	20,000
League of Friends	-	1,000	1,000
Stroud District Council	-	1,000	1,000
Tewkesbury Borough Council	-	2,000	2,000
The Gilbert Lane Charitable Trust	-	1,000	1,000
The Pixel Fund	-	5,000	5,000
The Rausing Trust	60,000	-	60,000
The Rowlands Trust	2,000	-	2,000
Thirty Percy	7,500	-	7,500
Other grants < £1k	-	2,152	2,152
	<u>92,045</u>	<u>45,930</u>	<u>137,975</u>

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

4. Income from charitable activities

	Restricted £	Unrestricted £	2022 Total £
<i>Counselling:</i>			
Grant income			
Office of the Police & Crime Commissioner (OPCC)	34,928	-	34,928
St James's Place	14,352	-	14,352
Contract income			
Gloucestershire County Council	-	95,718	95,718
NHS Clinical Commissioning Group (CCG)	-	24,299	24,299
Counselling fees	-	493,421	493,421
Total counselling	<u>49,280</u>	<u>613,438</u>	<u>662,718</u>
<i>Training:</i>			
Fees and contracts	-	209,030	209,030
Grants	<u>3,000</u>	-	<u>3,000</u>
Total training	<u>3,000</u>	<u>209,030</u>	<u>212,030</u>
Prior period comparatives (restated)			2021 Total £
	Restricted £	Unrestricted £	£
<i>Counselling:</i>			
Grant income			
Gloucestershire Community Foundation	10,000	-	10,000
Office of the Police & Crime Commissioner (OPCC)	57,700	-	57,700
St James's Place	14,352	-	14,352
Contract income			
Gloucestershire County Council	-	54,431	54,431
NHS Clinical Commissioning Group (CCG)	-	28,401	28,401
Counselling fees	-	469,985	469,985
Total counselling	<u>82,052</u>	<u>552,817</u>	<u>634,869</u>
<i>Training:</i>			
Fees and contracts	-	157,221	157,221

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

5. Other trading activities

	2022 £	2021 £
Rent	4,730	65
Other trading activities	<u>75</u>	<u>170</u>
	<u>4,805</u>	<u>235</u>

All income from other trading activities in the current and prior period was unrestricted.

6. Government grants

The charitable company receives government grants, defined as funding from Gloucestershire Public Health, Gloucestershire County Council, Tewkesbury Borough Council, Stroud District Council and the Office of the Police & Crime Commissioner to fund charitable activities. The total value of such grants in the period ending 31 August 2022 was £57,928 (2021: £86,680). The charity also receives income under contracts from Gloucestershire County Council and the NHS Clinical Commissioning Group. There are no unfulfilled conditions or contingencies attaching to these grants.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

7. Total expenditure

	Raising funds £	Counselling £	Training £	Support and governance £	2022 Total £
Staff costs (note 9)	22,393	485,392	141,183	120,163	769,131
HR and recruitment	-	-	-	4,027	4,027
Room hire, rent and service	-	-	-	49,061	49,061
Travel and subsistence	-	-	-	272	272
Stationery, postage and telephone	-	-	-	7,931	7,931
General administration	-	-	-	26,548	26,548
Subscriptions	-	-	-	2,963	2,963
Insurance	-	-	-	6,701	6,701
IT costs	-	-	-	54,616	54,616
Advertising and marketing	7,182	-	-	-	7,182
Repairs and maintenance	-	-	-	35,782	35,782
Professional fees	-	-	-	22,163	22,163
Accountancy	-	-	-	9,510	9,510
Bank charges	-	-	-	6,658	6,658
Depreciation	-	-	-	14,731	14,731
Sub-total	29,575	485,392	141,183	361,126	1,017,276
Allocation of support and governance costs	16,277	267,146	77,703	(361,126)	-
Total expenditure	45,852	752,538	218,886	-	1,017,276

Total governance costs were £5,640 (2021: £2,160).

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

7. Total expenditure (continued) Prior year comparative (restated)

	Raising funds £	Counselling £	Training £	Support and governance £	2021 Total £
Staff costs (note 9)	18,827	403,545	122,021	82,080	626,473
HR and recruitment	-	-	-	1,764	1,764
Room hire, rent and service	-	-	-	47,187	47,187
Travel and subsistence	-	-	-	321	321
Stationery, postage and telephone	-	-	-	7,221	7,221
General administration	-	-	-	18,832	18,832
Subscriptions	-	-	-	1,570	1,570
Insurance	-	-	-	6,416	6,416
IT costs	-	-	-	23,692	23,692
Fundraising costs	20	-	-	-	20
Advertising and marketing	5,088	-	-	-	5,088
Repairs and maintenance	-	-	-	29,661	29,661
Professional fees	-	-	-	10,134	10,134
Accountancy	-	-	-	3,511	3,511
Bank charges	-	-	-	5,423	5,423
Depreciation	-	-	-	16,284	16,284
Loss on disposal of fixed assets	-	-	-	1,417	1,417
Sub-total	23,935	403,545	122,021	255,513	805,014
Allocation of support and governance costs	11,129	187,645	56,739	(255,513)	-
Total expenditure	35,064	591,190	178,760	-	805,014

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

8. Net movement in funds

This is stated after charging / crediting:

	2022 £	2021 £
Depreciation	14,731	16,284
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	69	Nil
Auditors' remuneration:		
▪ Statutory audit	5,640	-
▪ Independent examination	-	2,160

During the year, one trustee was reimbursed £69 for travel expenses.

9. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	716,459	598,104
Social security costs	37,604	22,233
Employer's pension	9,068	6,136
Termination payments	6,000	-
Total emoluments paid to staff were:	769,131	626,473

No employee earned more than £60,000 during the year.

The key management personnel of the charity are considered to be the trustees and senior leadership team which includes the Chief Executive, Head of Finance, Head of Counselling and Head of Training. The total employee benefits including employer national insurance contributions paid to the key management personnel in the year ending 31 August 2022 was £138,789 (2021: £164,304).

Staff numbers are as follows:

	2022 No.	2021 No.
Average head count	92.8	93.0
Full time equivalent	23.7	21.3

10. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

11. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 September 2021	10,739	57,205	67,944
Additions in year	<u>2,994</u>	<u>-</u>	<u>2,994</u>
At 31 August 2022	<u>13,733</u>	<u>57,205</u>	<u>70,938</u>
Depreciation			
At 1 September 2021	10,348	36,598	46,946
Charge for the year	<u>807</u>	<u>13,924</u>	<u>14,731</u>
At 31 August 2022	<u>11,155</u>	<u>50,522</u>	<u>61,677</u>
Net book value			
At 31 August 2022	<u>2,578</u>	<u>6,683</u>	<u>9,261</u>
At 31 August 2021	<u>391</u>	<u>20,607</u>	<u>20,998</u>

12. Debtors

	2022 £	2021 £
Trade debtors	4,599	26,534
Prepayments	6,516	6,655
Other debtors	<u>18,616</u>	<u>21,739</u>
	<u>29,731</u>	<u>54,928</u>

13. Creditors: amounts due within 1 year

	2022 £	Restated 2021 £
Trade creditors	16,962	8,674
Deferred income*	166,396	86,564
Accruals	21,594	19,604
PAYE and NI	<u>15,629</u>	<u>6,557</u>
	<u>220,581</u>	<u>121,399</u>

*Deferred income consists of contract income or fees received in advance of the provision of counselling services or training courses. These are deferred until future periods and released when the session or course is delivered.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

13. Creditors: amounts due within 1 year (continued)

	2022 £	Restated 2021 £
<i>Movements in deferred income were:</i>		
Balance at the start of the year	86,564	28,841
Amounts released to income	(86,564)	(28,841)
Amounts deferred in the year	166,396	86,564
Balance at the end of the year	166,396	86,564

14. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	Property 2022 £	2021 £
Due within 1 year	41,770	41,550
Due within 2 - 5 years	16,688	57,238
	58,458	98,788

15. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	9,261	9,261
Net current assets	4,864	25,000	637,347	667,211
Net assets at 31 August 2022	4,864	25,000	646,608	676,472

Prior period comparatives (restated)

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	20,998	20,998
Net current assets	31,469	25,000	488,315	544,784
Net assets at 31 August 2021	31,469	25,000	509,313	565,782

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

16. Movements in funds

	At 1 September 2021 (restated) £	Income £	Expenditure £	Transfers between funds £	At 31 August 2022 £
Restricted funds:					
Awards for All	3,073	-	(3,073)	-	-
Barnwood Trust	-	23,843	(23,843)	-	-
Charities Aid Foundation Gloucestershire	-	195,758	(210,721)	-	(14,963)
Community Foundation	1,397	-	(1,397)	-	-
Garfield Weston	1,666	-	(1,666)	-	-
NHS - CCG	-	3,000	(3,000)	-	-
Office of the Police & Crime Commissioner	5,381	34,928	(33,970)	-	6,339
St. James's Place	14,352	14,352	(15,216)	-	13,488
Thirty Percy	5,600	-	(5,600)	-	-
Total restricted funds	31,469	271,881	(298,486)	-	4,864
Unrestricted funds:					
<i>Designated funds</i>					
Building maintenance and repairs reserve	25,000	-	-	-	25,000
Total designated funds	25,000	-	-	-	25,000
<i>General funds</i>	509,313	856,085	(718,790)	-	646,608
Total unrestricted funds	534,313	856,085	(718,790)	-	671,608
Total funds	565,782	1,127,966	(1,017,276)	-	676,472

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

16. Movements in funds (continued)

Purposes of restricted funds

Awards for All - funding to setup remote working following Covid-19.

Barnwood Trust - funding to setup remote working following Covid-19, training for counsellors to work remotely, IT improvements, remodelling and recarpeting rooms at Alma House and development of a new supervision training.

Charities Aid Foundation - funding for digital transformation, administrator salaries and adult hardship fund for counselling.

Gloucestershire Community Foundation - funding for counselling coordination.

Garfield Weston - funding Head of Counselling, communications support and hardship funding.

NHS Clinical Commissioning - funding for sexual violence training.

Office of the Police & Crime Commissioner - 12 weeks fully funded counselling for victims of sexual abuse, plus the overtime cost of moving the organisation to online delivery.

St James's Place - funding for child and family counsellors.

Thirty Percy - funding for IT improvements following Covid-19 and supervision training.

Purposes of designated funds

Building maintenance and repairs reserve - to cover future maintenance and building repairs.

Funds in deficit

The overspend on the Charities Aid Foundation grant is due to be covered by the second installment of the grant, received in September 2022.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

16. Movements in funds (continued)

Prior period comparatives (restated)

	At 1 September 2020 (restated) £	Income £	Expenditure £	Transfers between funds £	At 31 August 2021 £
Restricted funds:					
Awards for All	5,519	-	(2,446)	-	3,073
Barnwood Trust	15,188	3,695	(18,883)	-	-
Charities Aid Foundation Gloucestershire	-	18,850	(18,850)	-	-
Community Foundation	1,725	10,000	(10,328)	-	1,397
Garfield Weston	20,000	-	(18,334)	-	1,666
Office of the Police & Crime Commissioner	19,745	57,700	(72,064)	-	5,381
The Rausing Trust	-	60,000	(60,000)	-	-
The Rowlands Trust	-	2,000	(2,000)	-	-
St. James's Place	-	14,352	-	-	14,352
Thirty Percy	3,500	7,500	(5,400)	-	5,600
Total restricted funds	65,677	174,097	(208,305)	-	31,469
Unrestricted funds:					
<i>Designated funds</i>					
Building maintenance and repairs reserve	25,000	-	-	-	25,000
Total designated funds	25,000	-	-	-	25,000
<i>General funds</i>	346,400	759,622	(596,709)	-	509,313
Total unrestricted funds	371,400	759,622	(596,709)	-	534,313
Total funds	437,077	933,719	(805,014)	-	565,782

17. Related party transactions

There were no related party transactions in the current or prior reporting period.

Gloucestershire Counselling Service

Notes to the financial statements

For the year ended 31 August 2022

18. Prior period restatement

The comparative financial statements have been restated due to misclassifying unrestricted contract income as restricted grant income. The effects of the restatement are set out below:

Deferred income	2021 £
Deferred income per original accounts at 31 August 2021	36,648
Additional contract income to defer	<u>49,916</u>
Restated deferred income as at 31 August 2021	<u><u>86,564</u></u>

Income	Restricted £	Unrestricted £	Total 2021 £
Income per original accounts at 31 August 2021	305,865	677,770	983,635
Deferred income adjustments	<u>(131,768)</u>	<u>81,852</u>	<u>(49,916)</u>
Restated income at 31 August 2021	<u><u>174,097</u></u>	<u><u>759,622</u></u>	<u><u>933,719</u></u>

Expenditure	Restricted £	Unrestricted £	Total 2021 £
Expenditure per original accounts at 31 August 2021	309,298	495,716	805,014
Reclassification of expenditure	<u>(100,993)</u>	<u>100,993</u>	<u>-</u>
Restated expenditure at 31 August 2021	<u><u>208,305</u></u>	<u><u>596,709</u></u>	<u><u>805,014</u></u>

Additionally, expenditure has been reclassified between SOFA headings to improve comparability with the current year.

Funds brought forward	Restricted £	Unrestricted £	Total 2020 £
Funds per original accounts at 31 August 2020	84,818	352,259	437,077
Reclassification between funds	<u>(19,141)</u>	<u>19,141</u>	<u>-</u>
Restated funds at 31 August 2020	<u><u>65,677</u></u>	<u><u>371,400</u></u>	<u><u>437,077</u></u>