

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2022
for
RELATE DERBY AND SOUTHERN DERBYSHIRE**

Haines Watts
Chartered Accountants & Statutory Auditor
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

RELATE DERBY AND SOUTHERN DERBYSHIRE

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RELATE DERBY AND SOUTHERN DERBYSHIRE

Report of the Trustees FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's Introduction

We are an important local provider of Relate services providing, counselling, information, and support to individuals, couples and families of all backgrounds and sexualities. As a Federated Charity we work closely with National Relate in our mutual vision where healthy relationships are actively promoted as the heart of a thriving society.

Following our success in navigating the first year of the pandemic, we had a plan to stabilise and strengthen our services and return to a new normal in spring 2021. In reality the impact of Covid had a longer, deeper, and more complex impact than we had envisaged. This year proved to be a particularly challenging year both financially and, in our ability, to deliver our plans to re-establish our services post Covid. We saw further changes to the senior leadership team which impacted the pace of change, at which we could develop.

On 2021/22 we saw the retirement and resignation of some long serving counselling staff, they will be sorely missed, and we would like to wish them well and thank them for their exemplary contribution over many years to the services we provide for local people and the reputation we continue to maintain.

This year also saw the resignation of three of our Trustees and I would like to put on record our thanks to them. Our Trustees are voluntary roles, and we were lucky to benefit from their experience and expertise.

Objectives and activities

Objectives and aims

The objectives of the charity are 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 relationship.
- Provide counselling, advice, education, guidance and relief to adults and/or children in relation to any aspects of contemporary life or work which may prejudice their physical or mental well-being or influence, either directly or indirectly, their present or future family or couple relationships.
- Seek to enhance the good health, both mental and physical, of adults and children by increasing public awareness of the benefit of committed couple relationships, marriage, family life and working to prevent poverty, hardship and distress caused by the breakdown of such relationships.
- Advance citizenship and community development.
- Relieve those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantages.
- Promote research into all of the above objectives and to make the results available to the public.

Public benefit

We have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers and staff

We remain incredibly grateful to our staff and volunteers, not just for the exceptional skills, qualifications and experience that they bring, but also for their continued commitment to Relate's work. We particularly wish to thank our entire team for their support, positivity and commitment as the Covid-19 pandemic has impacted all aspects of our work.

RELATE DERBY AND SOUTHERN DERBYSHIRE

Report of the Trustees FOR THE YEAR ENDED 31 MARCH 2022

Achievement and performance

Charitable activities

Throughout 2021/22 our approach to managing through the various lockdowns remained in place with the priorities of:

- Maintaining services for clients, support the most vulnerable, and manage risk
- Keep the charity running so that we were available for the people who need us
- Treating our staff fairly
- Working with our commissioners to meet any urgent need
- Being honest and transparent in our communications

We did not furlough our staff during 2021/22 as we wished to remain fully available to the public, service users and commissioners. This impacted negatively on our finances as we saw the end of a short-term contract and were unable to re-establish our service volumes due to our failure to recruit counsellors.

The recruitment of suitably skilled and qualified counsellors remained a challenge throughout the year, and we committed to review how we can become an attractive and competitive employer. We engaged the support of HR specialists to work with us to develop and implement a revised recruitment approach and reward package during 2022/23.

The qualifications and experience to provide counselling across the range of services Relate provide means that we have had to review our approach and are now looking to provide opportunities for qualified counsellors to work with us while they further enhance their skills and qualifications to work across our range of services.

The Board reviewed the progress against our strategic objectives in January 2022 with the priority to increase our self-pay services and to offer face to face counselling at the earliest opportunity, however, having engaged with our clients and staff there is a clear desire for us to provide clients the choice of virtual or face to face sessions and for staff to work their hours flexibly from home where this matches the demands of the clients. We will review this as we progress through next year. We reinstated face-to-face counselling in April 2022.

We will begin the process to review our strategy and immediate priorities in January 2023.

The principal areas of charitable activity are relationship counselling for couples and individuals including same sex couples; family counselling; psychosexual therapy; telephone helpline and children and young people's counselling (called "Safe Speak"). This is counselling for young people aged 5 to 18 years. Additionally, we offer commercial contract counselling to local companies including the Toyota Motor Manufacturing Company, and nationally via employee benevolent funds which enable us to offer free counselling to employees and their family members. This enabled us to work with employees and their families from banking, accountancy, grocers, including the large supermarkets, the civil service and the Royal Air Force and Army.

We continued to provide counselling for IAPT (Improving Access to Psychological Therapies) with clients able to access remote counselling.

Our Living Well with Autism work, funded by Derbyshire County Council, continued to provide a valuable service to people with an Autism Spectrum Condition and their families and our specialist staff were able to provide counselling at various locations across Derbyshire. Demand has increased and we are a member of the Autism Partnership Board which facilitates our collaboration with local partners and the Commissioners agreed to expand the service to better meet needs. Our Living well with Autism awareness courses were paused in March, 2021 and resumed in October 2021, and continue to run remotely every month.

Relationship counselling remains a core service offered to clients with the centre offering remote appointments between 9am and 9pm, Monday to Friday, 9am to 5pm on Fridays and also Saturday mornings. Face to face counselling was reinstated in April 2022. The evening and weekend appointments help us meet the varying needs of our clients and offer flexibility. All clients have an assessment appointment and receive on-going counselling if they wish to continue. Waiting times are monitored and every effort is made to keep these as low as possible within the restraints that limited resources impose. The service still covers Southern Derbyshire and East Staffordshire.

We were also a sub-contractor for the Relate National Hub pilot service commissioned nationally which offered support to NHS staff locally which continued through 2021/22.

We reviewed the approach to children's work and agreed that it remains a valuable part of our service and we continue to deliver children and young people's counselling through self-pay or under direct contracts with local schools and commissioners. We also have contracts with six schools, equivalent to seven days of counselling.

Additional training was provided to the administration team on safeguarding, and customer service with all staff completing mandatory data security training.

We continue to work collaboratively with Relate National and other independent Relate Centres via regular briefings and meetings.

RELATE DERBY AND SOUTHERN DERBYSHIRE

Report of the Trustees FOR THE YEAR ENDED 31 MARCH 2022

This was another year of positive collaboration, including partnership work around autism, adult and children's mental health, suicide prevention and voluntary sector collaboration.

This coming year will be another challenge. Demand for our services will stay high but medium and long-term planning will be difficult due to the longer-term effect of the pandemic, and the impact of the cost-of-living crisis on our finances. Our main goal will be to remain sustainable so that we are here for our clients. We will seek to be responsive and flexible, and continue to network with local partners, and commissioners to seek new funding opportunities which will be key to our ongoing success.

Financial review

Principal funding sources

This was another particularly challenging year with the end of some contracts reducing our income. We set a deficit plan recognising the surplus that had been achieved in the previous year. Regrettably, we performed worse than plan this was particularly impacted by the reduction in income from our remaining contracts and self-pay services due to lack of counsellor capacity. Demand for our services remains high and as we attract and develop new staff, we believe will achieve financial sustainability.

Our financial management and controls are continuing to refine and improve. We have also improved our financial reporting and continue to develop improved information for the Board to inform decision making at the Board.

With the increased volume of remote counselling, we will also seek to ensure we utilise our office space efficiently and increase our income from room hire with suitable partners where appropriate.

We have also been working to strengthen our marketing, communications, and PR, with a professional company and have reviewed our website and will continue to update and develop the content. There remains a considerable opportunity to further improve our marketing and communications.

Total incoming resources decreased in the year from £512,998 to £328,356. Resources expended decreased in the year from £464,034 to £388,156 giving a net deficit of £59,800 compared to an income of £48,964 for the previous year. The charity had funds carried forward at 31 March 2022 of £673,105 of which £Nil are restricted funds and £673,105 are unrestricted funds. Readily available cash has decreased from £222,610 to £105,750 during the year.

Reserves policy Funds are set aside for restricted reserves donated for a specific purpose, project by project and if the sums provided prove insufficient appropriate transfers will be made from unrestricted funds.

Free reserves are required to cover:

- (a) The risk of redundancies, using statutory redundancy rates for the calculations;
- (b) A small sum for urgent replacement or hire of capital equipment;
- (c) The need to provide funding from our reserves to cover the costs of continuing to trade for at least three months should we be unable to continue in business.
- (d) to enable the continuation of much needed services such as family counselling and others to those in need.

The trustees estimate that taking all of the above into account free reserves of around £180,000 are needed. On 31 March 2022 liquid reserves amounted to £223,101 and is over the required level. In the current funding climate, the trustees feel it is prudent to hold reserves in excess of the required level.

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 1 December 2003. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

RELATE DERBY AND SOUTHERN DERBYSHIRE

Report of the Trustees FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

Recruitment and appointment of new trustees

The trustees of the charity are also the directors for the purposes of company law and under the company's articles are known as Members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve for one year renewable annually without limit.

Members have been appointed to the Board in an effort to reflect a range of skills and expertise and where possible the Board will endeavour to retain/develop these skills. In the event of particular skills being lost due to retirement or resignation individuals may be approached to offer themselves for election.

The Centre is a member of the Relate Federation and is guided in its provision of services via agreed national service specifications.

The Board regularly assess compliance with the Charity Commission Good Governance Code, and agree a set of actions to strengthen our governance. As part of this work, we agreed a new Scheme of Delegation and revised our Risk Management register and approach. This is reviewed and reassessed every 6 months.

Organisational structure

Relate Derby and Southern Derbyshire has an Executive Committee of seven members who meet seven or eight times a year and are responsible for the strategic direction. These meetings continued through the year remotely. Responsibility for the day-to-day provision of services is delegated to the Chief Executive Officer, however during the 2020 we established a Covid Subgroup with the CEO, Chair and Treasurer which was given delegated authority by the Board to take urgent decisions to ensure we could respond quickly to the issues arising from the pandemic. This group continued to fulfil this role in 2021/22. We deferred the recruitment of a permanent Chief Executive feeling that continuity of the leadership was critical with the challenges of the pandemic however, a permanent Chief Executive was appointed commencing with us at the end of March 2021. Due to personal circumstances, she resigned in February 2022 and a new role of Managing Director was established as it was felt that this more accurately reflects the role required in the organisation. We are currently reassessing the capacity in the management team to reflect our challenges and operational requirements.

The Managing Director represents the local centre on a number of forums including suicide prevention, autism partnership board, children and adults' mental health forums and Relate Centre Management meetings.

Induction and training of new trustees

Trustees are given the opportunity to meet the Chief Executive Officer and other staff/Trustees, to visit the centre and have the opportunity to understand the workings of Relate Derby and Southern Derbyshire as well as Relate nationally. New members are recruited via formal external process, then invited to attend an initial meeting and are provided with an induction pack before making the decision to join the Board.

Reference and administrative details

Registered Company number

04980776 (England and Wales)

Registered Charity number

1110768

Registered office

3 Wentworth House
Vernon Gate
Derby
DE1 1UR

Trustees

Miss S Hernandez (resigned 31.7.21)

Ms T Kirman (resigned 4.1.22)

Mrs O Mills (resigned 1.9.22)

Mr K W Molyneux

Mrs L D Prescott

Mrs R Redfern (resigned 15.12.21)

Ms S Sandhu

Mrs E Haworth (appointed 25.10.22)

RELATE DERBY AND SOUTHERN DERBYSHIRE

Report of the Trustees FOR THE YEAR ENDED 31 MARCH 2022

Reference and administrative details

Auditors

Haines Watts
Chartered Accountants & Statutory Auditor
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

Principal Bankers

Barclays Bank
22-26 St Peters St
Derby
DE1 1SH

Statement of trustees' responsibilities

The trustees (who are also the directors of Relate Derby And Southern Derbyshire for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company 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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mrs L D Prescott - Trustee

Report of the Independent Auditors to the Members of Relate Derby And Southern Derbyshire

Opinion

We have audited the financial statements of Relate Derby And Southern Derbyshire (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Report of the Independent Auditors to the Members of Relate Derby And Southern Derbyshire

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 a Report of the Independent Auditors 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.

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

- Enquiring of management of any known or suspected instances of fraud, as well as considering management's assessment of the susceptibility of the financial statements to fraud.
- Performing substantive testing over a selection of journal entries made in the period, to address the risk of fraud due to management override of controls. With a focus on entries made by unusual team members or entries made at unusual times or on unusual dates.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements. Specifically checking compliance with Charity Commission as well as employment and taxation laws and regulations.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate an increased risk of material misstatement as a result of fraud, or management override.
- Assessing accounting estimates which have a material impact of the year end accounts, to determine if there is indication of management bias.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Relate Derby And Southern Derbyshire**

Use of our report

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

James Liptrott (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants & Statutory Auditor
10 Stadium Business Court
Millennium Way
Pride Park
Derby
DE24 8HP

Date:

RELATE DERBY AND SOUTHERN DERBYSHIRE

Statement of Financial Activities FOR THE YEAR ENDED 31 MARCH 2022

		2022 Unrestricted funds £	2021 Total funds £
Income and endowments from	Notes		
Donations and legacies		81,528	95,141
Charitable activities			
Schools		50,750	61,312
TMHD - IAPT		96,794	110,410
Southern Derbyshire		-	130,858
Grants		13,273	23,149
Other contract income		10,399	8,875
LWWA		70,310	81,760
Other trading activities	3	5,299	1,127
Investment income	4	3	366
Total		328,356	512,998
Expenditure on			
Raising funds	5	382,316	459,734
Other		5,840	4,300
Total		388,156	464,034
NET INCOME/(EXPENDITURE)		(59,800)	48,964
Reconciliation of funds			
Total funds brought forward		732,905	683,941
Total funds carried forward		673,105	732,905

The notes form part of these financial statements

RELATE DERBY AND SOUTHERN DERBYSHIRE

Statement of Financial Position 31 MARCH 2022

		2022 Unrestricted funds £	2021 Total funds £
Fixed assets	Notes		
Tangible assets	10	450,004	459,688
Current assets			
Debtors	11	131,470	104,047
Cash at bank		105,750	222,610
		237,220	326,657
Creditors			
Amounts falling due within one year	12	(14,119)	(53,440)
Net current assets		223,101	273,217
Total assets less current liabilities		673,105	732,905
NET ASSETS		673,105	732,905
Funds	13		
Unrestricted funds		673,105	732,905
Total funds		673,105	732,905

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
Mrs L D Prescott - Trustee

RELATE DERBY AND SOUTHERN DERBYSHIRE

Notes to the Financial Statements FOR THE YEAR ENDED 31 MARCH 2022

1. STATUTORY INFORMATION

Relate Derby and Southern Derbyshire is a charitable company, limited by guarantee, registered in England and Wales. The company's registered number, charitable number and registered office address can be found on the General Information page.

The presentational currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Voluntary income received by way of grants is recognised in full when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity had unconditional entitlement.

In the case of contracts with customers, income is deferred to distribute the revenue over the life of the contract.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Tangible fixed assets

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

Freehold property	- 2% on cost
Fixtures and fittings	- 25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds represent monies set aside by the trustees to cover unexpected cash flow deficits, or unexpected unavoidable costs in order to be able to discharge the Charity's objectives effectively.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

RELATE DERBY AND SOUTHERN DERBYSHIRE

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Short term debtors are measured at transaction price less an impairment.

Creditors

Short term creditors are measured at transaction price.

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Social lotteries	233	192
Room hire	5,066	935
	<u>5,299</u>	<u>1,127</u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Investment income	3	366
	<u>3</u>	<u>366</u>

5. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Staff costs	135,378	174,449
Support costs	235,826	285,285
	<u>371,204</u>	<u>459,734</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	5,840	4,300
Depreciation - owned assets	9,684	9,683
	<u>15,524</u>	<u>13,983</u>

RELATE DERBY AND SOUTHERN DERBYSHIRE

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2022

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

8. STAFF COSTS

	2022 £	2021 £
Wages and salaries	247,887	302,522
Social security costs	12,513	9,259
Other pension costs	4,364	3,216
	<u>264,764</u>	<u>314,997</u>

Total key management personnel remuneration was £78,169 for the year.

The average monthly number of employees during the year was as follows:

	2022 25	2021 26
General	<u>25</u>	<u>26</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
Income and endowments from	
Donations and legacies	95,141
Charitable activities	
Schools	61,312
TMHD - IAPT	110,410
Southern Derbyshire	130,858
Grants	23,149
Other contract income	8,875
LWWA	81,760
Other trading activities	1,127
Investment income	366
Total	<u>512,998</u>
Expenditure on	
Raising funds	459,734
Other	4,300
Total	<u>464,034</u>
NET INCOME	48,964
Reconciliation of funds	
Total funds brought forward	683,941

RELATE DERBY AND SOUTHERN DERBYSHIRE

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
funds
£

Total funds carried forward

732,905

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
Cost			
At 1 April 2021 and 31 March 2022	484,171	14,915	499,086
Depreciation			
At 1 April 2021	24,483	14,915	39,398
Charge for year	9,684	-	9,684
At 31 March 2022	34,167	14,915	49,082
Net book value			
At 31 March 2022	450,004	-	450,004
At 31 March 2021	459,688	-	459,688

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	126,685	104,047
Prepayments and accrued income	4,785	-
	131,470	104,047

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	4,741	2,491
Social security and other taxes	-	2,056
Other creditors	1,938	48,893
Accruals and deferred income	7,440	-
	14,119	53,440

13. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	732,905	(59,800)	673,105
TOTAL FUNDS	732,905	(59,800)	673,105

RELATE DERBY AND SOUTHERN DERBYSHIRE

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2022

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	328,356	(388,156)	(59,800)
TOTAL FUNDS	<u>328,356</u>	<u>(388,156)</u>	<u>(59,800)</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	683,941	48,964	732,905
TOTAL FUNDS	<u>683,941</u>	<u>48,964</u>	<u>732,905</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	512,998	(464,034)	48,964
TOTAL FUNDS	<u>512,998</u>	<u>(464,034)</u>	<u>48,964</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	683,941	(10,836)	673,105
TOTAL FUNDS	<u>683,941</u>	<u>(10,836)</u>	<u>673,105</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	841,354	(852,190)	(10,836)
TOTAL FUNDS	<u>841,354</u>	<u>(852,190)</u>	<u>(10,836)</u>

RELATE DERBY AND SOUTHERN DERBYSHIRE

Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 MARCH 2022

14. RELATED PARTY DISCLOSURES

The Charity engaged in the following related party transactions during the year:

£52 was paid to Relate Birmingham for their services.

£8,136 was paid to the Relate Contracts Team for their services.

£18,396 was paid to Relate South Yorkshire for their services.

RELATE DERBY AND SOUTHERN DERBYSHIRE

Detailed Statement of Financial Activities FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Client contributions and sales	81,338	90,374
Donations	190	4,767
	81,528	95,141
Other trading activities		
Social lotteries	233	192
Room hire	5,066	935
	5,299	1,127
Investment income		
Investment income	3	366
Charitable activities		
Schools	50,750	61,312
Contract work	177,503	331,903
Grants	13,273	23,149
	241,526	416,364
Total incoming resources	328,356	512,998
Expenditure		
Raising donations and legacies		
Wages	125,548	164,029
Social security	7,288	8,620
Pensions	2,542	1,800
	135,378	174,449
Other trading activities		
Bad debts	11,112	-
Support costs		
Management		
Management and admin costs	122,339	138,493
Social security	5,225	639
Pensions	1,822	1,416
Rates and water	6,127	6,034
Insurance	3,559	3,263
Light and heat	2,307	2,230
Telephone	10,087	12,594
Postage and stationery	1,589	1,555
Advertising	13,261	-
Sundries	4,714	4,506
Travel costs	-	302
Training	103	375
Cleaning, security, repairs	8,662	3,959
Office equipment	2,627	2,321
Publicity and PR	670	690
Carried forward	183,092	178,377

This page does not form part of the statutory financial statements

RELATE DERBY AND SOUTHERN DERBYSHIRE

Detailed Statement of Financial Activities FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Management		
Brought forward	183,092	178,377
Recruitment fees	481	3,352
Consultancy fees	1,331	812
Accountancy and legal fees	14,459	13,867
Computer expenses	8,495	10,659
Operational support	18,284	68,535
Depreciation of tangible and heritage assets	9,684	9,683
	<hr/> 235,826	<hr/> 285,285
Governance costs		
Auditors' remuneration	5,840	4,300
	<hr/>	<hr/>
Total resources expended	388,156	464,034
	<hr/>	<hr/>
Net (expenditure)/income	<u>(59,800)</u>	<u>48,964</u>