

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020
FOR
BEACON COUNSELLING TRUST

BEACON COUNSELLING TRUST

**CONTENTS OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020**

| | Page |
|---|-------------|
| Reference & Administrative Information | 1 |
| Report of the Trustees | 2 |
| Statement of Financial Activities | 4 |
| Balance Sheet | 5 |
| Statement of Cash Flows | 6 |
| Notes to the Financial Statements | 7 |
| Report of the Independent Auditors | 11 |
| Detailed Income and Expenditure Account | 14 |

BEACON COUNSELLING TRUST

**REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2020**

Page 1

TRUSTEES: Francis Doran
James Hind
Sandra Keatley
Joseph Williams
Paula Bell – Chair of Trustees

CLINICAL PROGRAMMES DIRECTOR: Neil Platt

PATRON: Lord David Alton

PRINCIPAL OFFICE: 263 Townsend Lane
Clubmoor
Liverpool
Merseyside
L13 9DG

CHARITY NUMBER: 1140011 (England and Wales)

INDEPENDENT AUDITORS: John Kerr
Statutory Auditors
Chartered Accountants
375 Eaton Road
West Derby
Liverpool
Merseyside
L12 2AH

BANKERS: Lloyds Bank plc
PO Box 1000
Andover
BX1 1LT

BEACON COUNSELLING TRUST**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 NOVEMBER 2020**

Page 2

The trustees present their annual report and financial statements of the charity for the year ended 30 November 2020. The reference and administrative information set out on page 1 forms part of this report.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and the Charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The purposes of the charity are to relieve mental, emotional and physical problems encountered by people living in today's society. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The charity relies on the income from grants, donations, fees and charges to cover its operating costs. Affordability and access to our counselling services and facilities is important to us and is reflected in our pricing policy.

The principal activities of the charity in the period under review were that of the provision of counselling and support services designed to advance and improve the quality of life of individuals and families through the delivery of effective and responsive interventions, therapies and counselling sessions that seek to resolve problems and issues. In addition, the charity provides quality training and guidance to others operating in these areas.

ACHIEVEMENTS, PERFORMANCE AND PLANS FOR THE FUTURE

The results for the year and financial position of the charity are as shown in the annexed financial statements. The charity continues to receive grant funding from GamCare, the leading provider of information, advice, support and counselling for the prevention and treatment of problem gambling, to deliver the GamCare service in Liverpool, Wigan, the North West, Greater Manchester and surrounding areas. In addition, the charity has continued to develop the range of counselling and support services it provides which now encompasses the GamCare Youth Outreach Programme. During the year the charity also continued the operation of Paul's Place utilising grant funding from The National Lottery Community Fund by providing a specialist bereavement counselling service for those bereaved by suicide. During the year the charity also began work on rolling out a Workplace Charter in collaboration with Unite the union to reduce harms in the workplace from gambling. The charity is extremely proud of the achievements and progress to date. The trustees continue to seek further funding to enable them to improve and expand the services offered and to enable the charity to continue with its work. The trustees also take this opportunity of recognising the contributions of time and effort made by the many friends, volunteers, staff and supporters without whom the achievements to date would not have happened.

RESERVES POLICY AND GOING CONCERN

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between 6 and 9 months of the resources expended, which equates to between approximately £490,000 to £740,000 in general funds. At this level, the trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. At present the free reserves fall in between these target levels and the trustees are considering ways in which this target can be fully met.

In preparing the accounts, the trustees consider that the charity has a reasonable expectation of continuing to receive sufficient incoming resources to enable it to continue operations for the foreseeable future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable trust, established on 11 April 2010 and registered as a charity on 25 January 2011. The charity is governed by the policies made from time to time by the trustees together with the terms of its Constitution which set out the objects and powers of the charity.

The trustees, who met at regular intervals to formulate policy and decisions during the year, including the arrangements and criteria for setting the pay and remuneration of the charity's key management personnel, were F Doran, J Hind, S Keatley, M Hurst (deceased 23 January 2021), P Bell and J Williams.

The procedures for the appointment, retirement and removal of trustees are set out in the Constitution. The day to day operational aspects of the charity have been delegated to the Clinical Programmes Director - Neil Platt and his team.

BEACON COUNSELLING TRUST**REPORT OF THE TRUSTEES – continued
FOR THE YEAR ENDED 30 NOVEMBER 2020**

Page 3

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Much of the charity's work focuses upon providing advice and support to people of varying age groups with a variety of problems and from varied backgrounds. The trustees seek to ensure that the needs of these groups are appropriately reflected through the diversity of the trustee body and the recruitment of appropriate individuals to the board. The trustees are familiar with the practical work of the charity and are encouraged to attend regular feedback and update sessions. All trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

RELATED PARTIES

None of the trustees receive remuneration or other financial benefit from their positions as trustees of the charity and any contractual relationship with a related party must be disclosed to the board of trustees.

Details of related party transactions are set out in note 9 to the financial statements.

RISK MANAGEMENT

The trustees have a risk management strategy which comprises: an annual review of the principal risks and uncertainties that the charity faces and; the establishment of policies, systems and procedures to mitigate those risks identified in the review.

Financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditor balances to ensure sufficient working capital is available.

Attention has also been focused on non-financial risks arising from fire, health and safety and operational matters. These risks are managed by ensuring procedures and accreditations are up to date, having robust policies in place and, regular awareness training for staff and volunteers in these operational areas.

Since the year end, the COVID-19 pandemic has continued to create a major challenge with a high level of uncertainty for many charities. The trustees took prompt action to protect cash flow including reducing outgoings and taking advantage of support grants. Whilst the impact of the COVID-19 pandemic cannot be accurately predicted and it is not possible to assess all possible implications for the charity, based on assessments carried out, the charity believes that it has a financial position that will enable it to navigate through the current disruptions to its operations and continuing service provision.

RESPONSIBILITIES OF THE TRUSTEES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 7 October 2021 and signed on their behalf by:

P Bell – Chair of Trustees

BEACON COUNSELLING TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 NOVEMBER 2020

Page 4

| | 30.11.2020 | | | 30.11.2019 |
|--|----------------------------|--------------------------|---------------------|---------------------|
| | Unrestricted funds £ | Restricted funds £ | Total funds £ | Total funds £ |
| Income: | | | | |
| Charitable activities, donations & funds generated | 191,738 | - | 191,738 | 308,747 |
| GamCare Grants | - | 739,756 | 739,756 | 629,628 |
| The National Lottery Community Fund – ‘Paul’s Place’ | - | 121,474 | 121,474 | 46,427 |
| Workplace Charter Grants | 145,323 | - | 145,323 | - |
| Coronavirus Job Retention Scheme Grants | 24,378 | - | 24,378 | - |
| Local Authority Coronavirus Small Business Grant | 10,000 | - | 10,000 | - |
| BUPA UK Foundation – ‘Back on Track’ | - | 16,402 | 16,402 | 4,298 |
| Total income | 371,439 | 877,632 | 1,249,071 | 989,100 |
| Expenditure: | | | | |
| Charitable activities | 103,211 | 877,632 | 980,843 | 810,705 |
| Governance costs | 3,600 | - | 3,600 | 2,400 |
| Total expenditure (note 3) | 106,811 | 877,632 | 984,443 | 813,105 |
| Net income | 264,628 | - | 264,628 | 175,995 |
| Net movement in funds | 264,628 | - | 264,628 | 175,995 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | 281,435 | - | 281,435 | 105,440 |
| Total funds carried forward | 546,063 | - | 546,063 | 281,435 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

BEACON COUNSELLING TRUST

BALANCE SHEET
30 NOVEMBER 2020

Page 5

| | Notes | 30.11.20 £ | £ | 30.11.19 £ | £ |
|--|-------|------------------|----------------|----------------|----------------|
| CURRENT ASSETS | | | | | |
| Debtors | 4 | 36,624 | | 37,496 | |
| Cash at bank and in hand | | <u>1,008,481</u> | | <u>353,297</u> | |
| TOTAL CURRENT ASSETS | | 1,045,105 | | 390,793 | |
| LIABILITIES | | | | | |
| Creditors falling due within one year | 5 | <u>499,042</u> | | <u>109,358</u> | |
| NET CURRENT ASSETS | | | 546,063 | | 281,435 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 546,063 | | 281,435 |
| THE FUNDS OF THE CHARITY | 6 | | | | |
| Unrestricted income funds | | | 546,063 | | 281,435 |
| Restricted income funds | | | <u>-</u> | | <u>-</u> |
| TOTAL CHARITY FUNDS | | | 546,063 | | 281,435 |

The financial statements were approved by the trustees and authorised for issue on 7 October 2021 and signed on their behalf by:

P Bell – Chair of Trustees

BEACON COUNSELLING TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 NOVEMBER 2020

Page 6

| | Notes | 30.11.20 £ | 30.11.19 £ |
|---|-------|-------------------------|-----------------------|
| Cash generated by operations | 13 | <u>655,184</u> | <u>214,600</u> |
| Net cash generated by operating activities | | <u>655,184</u> | <u>214,600</u> |
| | | <hr/> | <hr/> |
| Increase in cash and cash equivalents | | 655,184 | 214,600 |
| Cash and cash equivalents at beginning of year | 14 | 353,297 | 138,697 |
| | | <hr/> | <hr/> |
| Cash and cash equivalents at end of year | 14 | <u>1,008,481</u> | <u>353,297</u> |

The notes form part of these financial statements

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Beacon Counselling Trust constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Restricted funds are funds to be used in accordance with specific restrictions imposed by the grant providers. Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

Preparation of the accounts on a going concern basis

In preparing the accounts, the trustees have taken account of the financial resources available to the charity and consider that the charity should be able to continue operations for the foreseeable future.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met: the charity has entitlement to the funds; any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity; there is sufficient certainty that receipt of the income is considered probable; and the amount can be measured reliably and is not deferred.

The value of services provided by volunteers has not been included in these accounts.

Expenditure recognition 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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

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

Tangible fixed assets

These are capitalised if they can be used for more than one year, and each individual asset costs at least £4,000.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid after taking account of trade discounts due.

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Pensions

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the statement of financial activities in the period to which they relate.

BEACON COUNSELLING TRUST

NOTES TO THE FINANCIAL STATEMENTS – continued

Page 8

FOR THE YEAR ENDED 30 NOVEMBER 2020

2. STAFF COSTS

| | 30.11.20 £ | 30.11.19 £ |
|---|----------------|---------------|
| Wages and salaries | 409,697 | 311,161 |
| Employers National Insurance – Social security costs | 34,460 | 26,540 |
| Employer's contribution to defined contribution pension schemes | <u>7,199</u> | <u>5,606</u> |
| | 451,356 | 343,307 |

There was one employee whose total employee benefits for the reporting period fell within the earnings band of £80,000 to £90,000 (2019 – one employee within the earnings band £70,000 to £80,000). There was one employee whose total employee benefits for the reporting period fell within the earnings band of £60,000 to £70,000 (2019 – no employees within the earnings band £60,000 to £70,000).

The key management personnel of the charity comprise the trustees and the Clinical Programmes Director. The total employee benefits of the key management personnel of the charity were £91,314 (2019: £73,146).

The average monthly head count and the average monthly number of full-time equivalent employees during the year was as follows:

| | 30.11.20 | 30.11.19 |
|---|----------|----------|
| Management and charity operational activities | 15 | 11 |

3. NET INCOME

This is stated after charging:

| | 30.11.20 £ | 30.11.19 £ |
|------------------------------------|---------------|---------------|
| Independent Audit/Examination fees | <u>3,600</u> | <u>2,400</u> |

The trustees were not reimbursed expenses during the year (2019: £nil).

4. DEBTORS

| | 30.11.20 £ | 30.11.19 £ |
|--------------------------------|----------------------|----------------------|
| Trade debtors | 9,513 | 31,950 |
| Prepayments and accrued income | <u>27,111</u> | <u>5,546</u> |
| | <u>36,624</u> | <u>37,496</u> |

5. CREDITORS FALLING DUE WITHIN ONE YEAR

| | 30.11.19 £ | 30.11.18 £ |
|---------------------------------|-----------------------|-----------------------|
| Trade creditors | 13,717 | 7,982 |
| Other creditors | 1,542 | 1,304 |
| Social security and other taxes | - | - |
| Accruals and deferred income | <u>483,783</u> | <u>100,072</u> |
| | <u>499,042</u> | <u>109,358</u> |

BEACON COUNSELLING TRUST

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED 30 NOVEMBER 2020

Page 9

6. ANALYSIS OF MOVEMENTS IN CHARITABLE FUNDS

| | At 1 December 2019 £ | Income £ | Expenditure £ | At 30 November 2020 £ |
|---|----------------------------|------------------|------------------|-----------------------------|
| Restricted income funds: | | | | |
| GamCare Grants (Gambling counselling) | - | 739,756 | 739,756 | - |
| The National Lottery Community Fund (Paul's Place counselling) | - | 121,474 | 121,474 | - |
| BUPA UK Foundation (Back on Track counselling) | - | 16,402 | 16,402 | - |
| Unrestricted funds: | | | | |
| General funds | 281,435 | 371,439 | 106,811 | 546,063 |
| Totals funds: | 281,435 | 1,249,071 | 984,443 | 546,063 |

| | At 1 December 2018 £ | Income £ | Expenditure £ | At 30 November 2019 £ |
|---|----------------------------|----------------|------------------|-----------------------------|
| Restricted income funds: | | | | |
| GamCare Grant (Gambling counselling) | - | 629,628 | 629,628 | - |
| The National Lottery Community Fund (Paul's Place counselling) | - | 46,427 | 46,427 | - |
| BUPA UK Foundation (Back on Track counselling) | - | 4,298 | 4,298 | - |
| Unrestricted funds: | | | | |
| General funds | 105,440 | 308,747 | 132,752 | 281,435 |
| Totals funds: | 105,440 | 989,100 | 813,105 | 281,435 |

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | General Funds | Restricted Funds | Total Funds |
|-------------------------------|----------------|------------------|----------------|
| Current assets | 966,227 | 78,878 | 1,045,105 |
| Creditors | (420,164) | (78,878) | (499,042) |
| Net assets at year end | 546,063 | - | 546,063 |

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 30.11.20 £ | 30.11.19 £ |
|----------------------------|----------------|----------------|
| Within one year | 60,000 | 47,000 |
| Between one and five years | 240,000 | 188,000 |
| In more than five years | 300,000 | 282,000 |
| | 600,000 | 517,000 |

The notes form part of these financial statements

BEACON COUNSELLING TRUST

NOTES TO THE FINANCIAL STATEMENTS – continued
FOR THE YEAR ENDED 30 NOVEMBER 2020

Page 10

9. TRANSACTIONS WITH RELATED PARTIES

Rents of £60,000 (2019: £47,000) for properties occupied by the charity during the year were payable to Beagle Property Company Limited. N Platt owns 100% of that company's shares and is an employee of the charity.

10. TAX

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects.

11. LEGAL STATUS OF THE CHARITY

Beacon Counselling Trust is an unincorporated trust, registered as a charity in England and Wales. The charity's registered number and principal address can be found on page 1.

12. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other charities of our size and nature we use our Independent Auditors to assist with the preparation of the financial statements.

13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATIONS

| | 30.11.20 | 30.11.19 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Net movement in funds | 264,628 | 175,995 |
| Decrease/(increase) in trade and other debtors | 872 | (4,745) |
| Increase in trade and other creditors | <u>389,684</u> | <u>43,350</u> |
| Cash generated from operations | <u>655,184</u> | <u>214,600</u> |

14. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 November 2020

| | 30.11.20 | 1.12.19 |
|---------------------------|------------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>1,008,481</u> | <u>353,297</u> |

Year ended 30 November 2019

| | 30.11.19 | 1.12.18 |
|---------------------------|----------------|----------------|
| | £ | £ |
| Cash and cash equivalents | <u>353,297</u> | <u>138,697</u> |

Opinion

We have audited the financial statements of Beacon Counselling Trust (the 'Charity') for the year ended 30 November 2020 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement 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, 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 30 November 2020 and of 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 Charities Act 2011.

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 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 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.

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' Annual Report.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the responsibilities of the trustees in relation to the financial statements set out on page 3, 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 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 wind up the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations was as follows:

we ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

we identified the laws and regulations applicable to the Charity through discussions with trustees;

we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity;

we assessed the extent of compliance with the laws and regulations identified above through making enquiries of the trustees and reviewing supporting documentation; and

identified laws and regulations were communicated within the audit team regularly and the team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

making enquiries of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

In addition to the above, our procedures to respond to identified risks included reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that auditors would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. 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 Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
BEACON COUNSELLING TRUST – continued**

Page 13

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in a Report of the Auditors 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

John Kerr
Statutory Auditors
Chartered Accountants
375 Eaton Road
West Derby
Liverpool
Merseyside
L12 2AH

7 October 2021

The following page does not form part of the Statutory Financial Statements

BEACON COUNSELLING TRUST

DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2020

Page 14

| | 30.11.20 | | 30.11.19 | |
|--|----------|----------------|----------|----------------|
| | £ | £ | £ | £ |
| Income: | | | | |
| Incoming funds and donations | 191,738 | | 308,747 | |
| GamCare Grants | 739,756 | | 629,628 | |
| The National Lottery Community Fund Grants | 121,474 | | 46,427 | |
| Workplace Charter Grants | 145,323 | | - | |
| Coronavirus Job Retention Scheme Grants | 24,378 | | - | |
| Local Authority Coronavirus Small Business Grant | 10,000 | | - | |
| BUPA UK Foundation | 16,402 | | 4,298 | |
| | | 1,249,071 | | 989,100 |
| Expenditure: | | | | |
| Salaries | 409,697 | | 311,161 | |
| National Insurance | 34,460 | | 26,540 | |
| Pension contributions | 7,199 | | 5,606 | |
| Counsellors', therapists' and receptionists' fees | 232,426 | | 255,451 | |
| Rents | 57,709 | | 47,000 | |
| Rates and water | 3,943 | | 3,506 | |
| Insurances | 3,176 | | 2,090 | |
| Light, heat & power | 7,270 | | 5,072 | |
| Refurbishment, repairs, Information Technology & equipment | 68,889 | | 40,739 | |
| Telephone & communications | 12,652 | | 10,595 | |
| Post, printing, promotions & literature | 25,321 | | 26,407 | |
| Travelling, subsistence and meetings | 15,504 | | 34,915 | |
| Licences and subscriptions | 3,300 | | 1,951 | |
| Training & consultancy | 86,195 | | 28,462 | |
| Waste disposal, cleaning & hygiene | 9,418 | | 6,879 | |
| Administration and payroll fees | 720 | | 720 | |
| Accountancy & reporting fees | 3,600 | | 2,400 | |
| Legal & professional fees | 2,964 | | 3,611 | |
| | | 984,443 | | 813,105 |
| Net income | | <u>264,628</u> | | <u>175,995</u> |