

# **COGWHEEL COUNSELLING**

**Registered charity no.: 1157141**

**Incorporated on 21 May 2014**

## **TRUSTEES' REPORT**

**and**

## **ACCOUNTS**

## **FOR THE YEAR ENDED**

**December 31, 2020**

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## **COGWHEEL COUNSELLING LEGAL AND ADMINISTRATIVE DETAILS**

### **CHARITABLE STATUS**

Charity no.: 1157141 - registered on 21 May 2014

Cogwheel Counselling changed its name from The Cogwheel Trust CIO. This was approved by the Charity Commission in October 2020.

### **MISSION STATEMENT**

Cogwheel Counselling is a charity, motivated by its Christian ethos, working throughout Cambridgeshire to improve the emotional and psychological wellbeing of local people. Cogwheel carries out its mission by:

Providing a range of counselling and psychotherapy services, including a substantial proportion of subsidised places for those on low income

Improving access to counselling and psychotherapy services (our own and the services of other providers in the region)

Promoting emotional and psychological wellbeing

### **TRUSTEES**

Jeremy Barnett - resigned as Chair 1st June 2020

David Farrer -Treasurer

Christopher Palmer

Nigel Walter

Lis Silver - appointed Chair 1st June 2020

Neil Davies - resigned 13th January 2020

### **HEAD OF COUNSELLING**

Esther McNeill

### **REGISTERED OFFICE**

47-51 Norfolk Street, Cambridge CB1 2LD

### **BANKERS**

CAF Bank Ltd

Lloyds Bank plc, Cambridge

### **INDEPENDENT EXAMINER**

Geoff Mann, Geoff Mann Ltd

Cambridge

# **COGWHEEL COUNSELLING TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees present their Report for the year ended 31 December 2020, which incorporates the list of Legal and Administrative Details on Page 2.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Cogwheel Counselling changed its name from The Cogwheel Trust CIO - this was approved by the Charity Commission in October 2020. The charity was registered with the Charity Commission on 21 May 2014. The previous charity The Cogwheel Trust (registered number 299228) ceased operations on 30 November 2014 and transferred the charity business including staff, assets and liabilities to The Cogwheel Trust CIO. Under the Charity terms and conditions, the power to appoint Trustees is vested in the Trustees for the time being.

The Charity has a Board of Trustees who meet quarterly and are responsible for its strategic direction and policy.

The Trustees are currently reviewing the procedures in place for Trustee induction and training by reference to guidance published by the Charity Commission.

## **OBJECTS, ORGANISATIONS AND ACTIVITIES**

The Mission Statement of the Charity is stated on Page 2.

During 2020 the Charity provided in person counselling services at 47-51 Norfolk Street, Cambridge and also at Sawston and Ely between January and March. For the remainder of the year counselling services were conducted online using Zoom software, this was due to the Covid pandemic.

## **FINANCES**

During 2020 the following organisations generously supported the Bursary and Core Funds:

ARM Ltd	National Lottery
Alfred Haines Charitable Trust	Northwick Trust
C3 Church	Pye Foundation
Cambridge Community Foundation	Sawston Parish Council
Cole Charitable Trust	South Cambridge Rotary Club Trust
Evelyn Trust	South Cambridge District Council
Girton Town Charity	Strangward Trust
John Huntingdon's Charity	Thomas Parsons Charity
Marsh Christian Trust	Waterbeach Parish Council

The following Cambridge Colleges also supported the Bursary and Core Funds:

Jesus College	Trinity College
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We are very grateful to the various organisations and individuals who generously supported Cogwheel when the Covid pandemic caused lockdown throughout the UK during 2020.

The attached financial statements (pages 5 – 10) reflect the Trust's activities for the period and show the state of the finances at 31 December 2020. We thank the individuals, churches, businesses, colleges and trusts who donated funds during 2020 which enabled 3,850 counselling appointments to be provided in the year.

**COGWHEEL COUNSELLING  
TRUSTEES' REPORT continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**FINANCES continued**

As reflected in the Reserves Policy statement in the following section, the minimum level of reserves needed to be in compliance with the standard prescribed by the British Association for Counselling and Psychotherapy is circa £41,250. At 31 December 2020 Cogwheel had an unrestricted surplus of £68,358. During 2021 we will continue to work towards maintaining our reserves to be compliant with the required standard.

**RESERVES POLICY**

The Trustees have conducted a risk assessment and considered the level of unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") that should be maintained by the charity to meet its liabilities and to sustain the organisation in the event of any unforeseen shortfalls in income. The Trustees have assessed the reliability of the charity's main sources of income and taken into account trends and pressures on grant aid. Past performance has made clear how precarious the charity's finances are without any free reserves to fall back on. The Code of Ethics and Practice of the British Association for Counselling and Psychotherapy, by which the charity abides, requires clients to be given three months' notice of termination of service and, accordingly, all staff contracts have a three-month notice period. Taking all of the above factors into account, the Trustees consider that free reserves as at 31 December 2020 should be £41,250 and this figure will be re-calculated annually. At 31 December 2020 the charity had a surplus of £68,358.

**RISK REVIEW**

The Trustees have conducted their own review of the major risks to which the charity is exposed and have agreed a risk management strategy which comprises :

- (i) an annual review of the risks which the charity may face;
- (ii) the establishment of systems and procedures to mitigate those risks identified in the plan; and
- (iii) the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

**On behalf of the Trustees  
JEREMY BARNETT**

**24 June 2021**

**COGWHEEL COUNSELLING**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted	Restricted	TOTAL	TOTAL
	Notes	Funds	Funds	2020	2019
<b>INCOMING RESOURCES</b>		£	£	£	£
Donations	8	12,404	93,462	105,866	82,943
Client Contributions	9	90,710	0	90,710	117,948
Contract and Other Income		0	0	0	0
<b>Total Incoming Resources</b>		<b>103,114</b>	<b>93,462</b>	<b>196,576</b>	<b>200,891</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of Generating Funds</b>					
Fundraising and Publicity	11	10,769	0	10,769	14,165
<b>Charitable Expenditure</b>			0		
Operating Costs	10	164,895	0	164,895	163,866
Governance Costs	12	2,440	0	2,440	3,671
<b>Total Resources Expended</b>		<b>178,104</b>	<b>0</b>	<b>178,104</b>	<b>181,702</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>(74,990)</b>	<b>93,462</b>	<b>18,472</b>	<b>19,189</b>
Transfer Between Funds	6	82,215	(82,215)	0	0
Payment of grant for counselling at Bedford Prison		0	0	0	(12,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>7,225</b>	<b>11,247</b>	<b>18,472</b>	<b>7,189</b>
<b>FUND BALANCES</b>					
Brought forward 1 January 2020		61,133	15,533	76,666	69,477
<b>Carried forward 31 December 2020</b>	<b>6</b>	<b>68,358</b>	<b>26,780</b>	<b>95,138</b>	<b>76,666</b>

**COGWHEEL COUNSELLING  
BALANCE SHEET  
AS AT 31 DECEMBER 2020**

		2020		2019
	Note	£	£	£
<b>FIXED ASSETS</b>	2		4,393	1,290
<b>CURRENT ASSETS</b>				
Sundry Debtors	3	1,108		4,427
Prepayments		2,200		2,200
Bank Balances		100,647		88,152
Cash in Hand		411		1,709
		<u>104,366</u>		<u>96,488</u>
<b>CURRENT LIABILITIES</b>				
Creditors	4	13,621		21,112
		<u>13,621</u>		<u>21,112</u>
<b>CURRENT ASSETS LESS CURRENT LIABILITIES</b>			90,745	75,376
<b>TOTAL NET ASSETS</b>			<u>95,138</u>	<u>76,666</u>
<b>FINANCED BY: ACCUMULATED SURPLUS</b>				
Unrestricted Funds	5	68,358		61,133
Restricted Funds	6	26,780		15,533
		<u>95,138</u>		<u>76,666</u>

Approved by the Trustees on 24 June 2021

Jeremy Barnett	)	
	)	Trustees
David Farrer	)	

**COGWHEEL COUNSELLING  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES**

**a) BASIS OF PREPARATION OF ACCOUNTS**

The accounts have been prepared under the historical cost convention and include the results of the charity's operations, which are described in the Report of the Trustees and all of which are continuing. They have been prepared in accordance with the Charities Act 2011 and 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 the Republic of Ireland (FRS 102) revised with effect from 1 January 2019.

Cogwheel Counselling meets the definition of a public benefit entity under FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**b) INCOMING RESOURCES**

Incoming resources are recognised in the year in which the charity is entitled to the receipt, and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

**c) RESOURCES EXPENDED**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

**d) PENSIONS**

The charity contributes to money purchase, defined contribution schemes, on behalf of its employees. No liability exists in respect of pensions other than monthly contributions due which is included within creditors.

**e) FIXED ASSETS**

Depreciation is provided at the following annual rates, calculated to write off fixed assets over their estimated useful lives:

Office furniture and fittings	10% straight line
Office and training equipment	20% straight line

**COGWHEEL COUNSELLING**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES (continued)**

**f) DEBTORS**

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

**g) CREDITORS AND PROVISIONS**

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.

**2 FIXED ASSETS**

	Office Furniture and Fittings £	Office and Training Equipment £	Total £
<b>Cost:</b>			
As at 31.12.19	5,005	18,224	23,229
Addition in year	3,478	0	3,478
As at 31.12.20	8,483	18,224	26,707
<b>Depreciation:</b>			
As at 31.12.19	3,834	18,105	21,939
Provided for year	256	119	375
As at 31.12.20	4,090	18,224	22,314
<b>Net Book Value:</b>			
<b>As at 31.12.20</b>	£4,393	£0	£4,393
<b>As at 31.12.19</b>	£1,171	£119	£1,290

	2020 £	2019 £
<b>3 DEBTORS</b>		
Income Tax Claim (Gift Aid)	1,108	4,427
	1,108	4,427
<b>4 CREDITORS</b>		
Salaries, Expenses and Accruals	13,621	21,112
	13,621	21,112

**5 ACCUMULATED SURPLUS**

The balance carried forward in the Income and Expenditure Account unrestricted funds comprises:

	£	£
Balance brought forward	61,133	50,477
Surplus for 12 months	7,225	10,656
Balance carried forward	68,358	61,133



**COGWHEEL COUNSELLING**  
**NOTES TO THE ACCOUNTS continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**6 FUNDS**

	Unrestricted		
	General Funds	Designated Bursary	Total
	£	£	£
<b>Balance b/f</b>	61,133	0	61,133
Incoming Resources	103,114	0	103,114
Resources Expended	(178,104)	0	(178,104)
Allocations	82,215	0	82,215
Designations		0	0
<b>Balance c/f</b>	68,358	0	68,358

	Restricted					
	Restricted Bursary	Sawston	Other	Soham	Restricted Total	Funds Total
	£	£	£	£	£	£
<b>Balance b/f</b>	7,533	8,000	0	0	15,533	76,666
Incoming Resources	30,790	9,232	53,440	0	93,462	196,576
Resources Expended						(178,104)
Allocations	(33,823)	(9,232)	(160)		(43,215)	
Funds usage			(39,000)		(39,000)	
<b>Balance c/f</b>	4,500	8,000	14,280	0	26,780	95,138

Allocations are made from the Bursary Fund, at the discretion of the management, to enable counselling services to be offered to clients in financial difficulty.

Income given specifically for bursaries is added to the Restricted Bursary Fund and allocated first.

Income is designated from General Funds to the Designated Bursary Fund to cover the cost of subsidised counselling services allocated over and above the amount of restricted bursary funds available.

**7 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Fixed Assets	Current Assets	Current Liabilities	Total
	£	£	£	£
Unrestricted Funds	4,393	77,586	(13,621)	68,358
Restricted Funds	0	26,780	0	26,780
	<u>4,393</u>	<u>104,366</u>	<u>(13,621)</u>	<u>95,138</u>

**8 DONATIONS RECEIVED**

	Unrestricted funds	Restricted funds	2020	2019
	£	£	£	£
Individual Gifts	8,796	0	8,796	19,868
Income Tax Repayments	1,151	0	1,151	886
Local Churches	620	1,000	1,620	5,823
Grant Making Trusts	0	77,422	77,422	34,130
Colleges	87	1,500	1,587	2,753
Businesses & parish council	435	13,540	13,975	10,974
Fundraising	1,315	0	1,315	8,509
	<u>12,404</u>	<u>93,462</u>	<u>105,866</u>	<u>82,943</u>

**COGWHEEL COUNSELLING**  
**NOTES TO THE ACCOUNTS continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
<b>9 CLIENT CONTRIBUTIONS</b>	<b>£</b>	<b>£</b>
Cambridge	21,362	97,812
Sawston	1,690	11,811
Ely	1,970	8,325
Online counselling	65,688	
	<u>90,710</u>	<u>117,948</u>
<b>10 OPERATING COSTS</b>	<b>£</b>	<b>£</b>
<b>Counselling Services</b>		
Staff Costs (note 13)	101,945	105,756
Training and Recruitment	228	1,359
Supervision	21,762	19,179
Welfare and Office Expenses	3,381	3,316
Subscriptions	479	459
Travel	140	1,359
Website design	120	120
Insurance	2,512	2,512
	<u>130,567</u>	<u>134,060</u>
<b>Provision of Counselling Centre</b>		
Rent and Rates	26,715	26,316
Repairs and Renewals	4,464	264
Depreciation	375	507
Insurance	514	522
Telephones	2,260	2,197
	<u>34,328</u>	<u>29,806</u>
<b>Total</b>	<u>164,895</u>	<u>163,866</u>
<b>11 FUNDRAISING AND PUBLICITY EXPENDITURE</b>	<b>£</b>	<b>£</b>
Fundraising Costs	10,286	8,804
Publicity, Printing and Literature	483	5,361
	<u>10,769</u>	<u>14,165</u>
<b>12 GOVERNANCE COSTS OF THE CHARITY</b>	<b>£</b>	<b>£</b>
Stationery and Postage	1,210	1,931
Independent examination fee	460	450
Other Administration and Professional Fees	770	1,290
	<u>2,440</u>	<u>3,671</u>

**COGWHEEL COUNSELLING**  
**NOTES TO THE ACCOUNTS continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**13 STAFF COSTS**

The staff costs were:	£	£
Wages and salaries	100,257	104,315
Social security costs		
Other pension costs	1,688	1,441
	<u>101,945</u>	<u>105,756</u>

The average weekly number of staff employed by the charity during the period was:

Head of Counselling	1	1
Part time administration	8	5
Part time counsellors	15	12
	<u>24</u>	<u>18</u>

**14 PAYMENTS TO TRUSTEES**

No payments were made to any of the trustees nor were any expenses reimbursed to them.

**15 RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year that required disclosure.

**COGWHEEL COUNSELLING  
INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF COGWHEEL COUNSELLING**

I report to the trustees on my examination of the accounts of the charity for the year ended 31 December 2020 set out on pages 1 to 10.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Acts 2011 ("the Act").

I report in respect of my examination of your charity's accounts carried out under section 145 of the Act, and in carrying out my examination I have followed the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

**INDEPENDENT EXAMINER'S STATEMENT**

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

the accounting records were not kept in respect of the charity as required by section 130 of the Act; or

the accounts do not accord with those records; or

the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination

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

Geoff Mann FCIE  
Geoff Mann Ltd  
Dee House  
Highworth Avenue  
Cambridge

24 June 2021