

Cedar House Preston CIO
Annual Report And Unaudited Financial Statements
For The Year Ended 31 October 2022

CEDAR HOUSE PRESTON CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

P Johns
H N M Sewell
V A Barker
C M Tomlinson
C R Hubback
T J McNamara

Charity number

1186644

Principal address

23 Mount Street
Preston
United Kingdom
PR1 8BS

Independent examiner

Julie Flintoff FCA
Azets
Floor 1, Capital House
8 Pittman Court, Pittman Way
Fulwood
Preston
United Kingdom
PR2 9ZG

Bankers

HSBC Bank Plc
49a Fishergate
Preston
Lancashire
PR1 8BH

CEDAR HOUSE PRESTON CIO

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CEDAR HOUSE PRESTON CIO

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2022

The trustees present their annual report and financial statements for the year ended 31 October 2022.

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 governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019)".

Structure, governance and management

The charity is governed by a declaration of trust dated 7 May 1998 as amended by resolution dated 6 December 2006 and 12 September 2012. It is registered as a charity by the Charity Commission (Number 1186644).

The trustees who served during the year and up to the date of signature of the financial statements were:

P Johns
H N M Sewell
V A Barker
C M Tomlinson
C R Hubback
T J McNamara

Trustees are appointed with necessary skills, as required to fill vacancies. In practice, trustees have been appointed from amongst people who are already involved with the charity. Induction is provided as required and reference is made to the Charity Commission guidance on trustees' duties and responsibilities.

Objectives and activities

The charitable objects of the charity are:-

- The preservation and protection of health for the public benefit by providing or assisting in the provision of counselling, primarily but not exclusively, for people suffering from psychological and emotional distress and resident in the North West of England.
- The promotion of such other charitable purposes which may conveniently be carried out in connection with the above objects.

These objects, in particular the counselling service, are carried out at the property situated in Mount St. in the centre of Preston, which was purchased some 20 years ago when the charity was set up. It is wholly owned and maintained by the Charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Main Activities

- Cedar House (Mount St. Preston) has been providing counselling to a wide range of people with many life-restricting problems, while maintaining a special interest in pregnancy related issues. Clients are self-referred, or recommended by NHS or other local agencies. There is no compulsory charge, but clients are encouraged to make donations to the Charity as they are able.
- The trustees confirm that they have referred to the guidance contained in the Charity Commission's requirements on public benefit, and feel that the activities described above satisfy those requirements. They also recognise these requirements in planning future activities.

CEDAR HOUSE PRESTON CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Achievements and performance

- As we are moving towards emerging from the pandemic, which has so affected us all, we look back with satisfaction on the way we have coped with such an unprecedented situation. The amount of counselling we have been able to offer has been seriously reduced, but by adapting to the situation we have been able to help a number of clients. Counsellors have undertaken training to equip them to safely offer counselling remotely by Zoom and by telephone.
- We continue to get good reports from our clients and from the agencies that have recommended them to us.

Financial review

The details of the charity's income and expenditure for the period, and its net assets at 31 October 2022 are found on pages 7 & 8 of these accounts. In summary, the charity generated an income of £44,004 (2021: £36,453) to fund expenditure of £45,945 (2021: £45,360), leaving a deficit for the period of £1,941 (2021: £8,907).

The trustees will maintain sufficient reserves to cover anticipated outgoings needed to ensure that the property in Mount Street remains in good order, and that the counselling service continues to be available to all comers. The trustees expect that this will be covered by income.

The trustees consider that a minimum level of cash reserves equal to 3 months of expenditure is adequate, this is approximately £15,000. At the period end the charity has cash at bank of £62,889 (2021: £71,198).

Impact of Covid-19

Financial

- Our income comes predominantly from two sources. Firstly a number of long term supporters donate either by monthly SO or by large one-off donations (most of these donations are Gift Aided). During our periods of reduced counselling activity, these donations, not only remained at the previous level, but in some cases actually increased. A second source of income is from clients who are invited to donate, if able, to the general running costs of Cedar House, although all counselling is free at the point of delivery. Clearly when we closed on 23 March 2020 this income stream stopped abruptly.
- Once we reopened, we have had increased outgoings as our managers returned to their pre-covid employment levels and other running costs, including supervision rose.
- Now we are open again, cash donations from clients are increasing, and so this income is currently running at about 50% of pre-covid levels. Income from regular givers has remained just about steady.
- The flow of NHS clients referred in relation to Covid-19 issues did not measure up to expectations and we did not use the grant as quickly as expected. The CCG has not demanded the return of any remaining grant money. This will cover the labour costs incurred in admin and training preparation to make the scheme possible.
- Clearly, we will need to monitor our income streams as they have not yet reached pre-Covid levels.

Practical

- We are now getting back towards what used to be normal, with clients being seen in person but now also remotely. This has a number of advantages as pre-Covid the number of clients we could work with was limited by the size of our property. Now we are able to see many more.
- It has also meant we can work with people who cannot come to us for practical reasons. We are now offering appointments to clients who cannot attend because of health, disability or distance reasons.
- We also have a small number of counsellors and supervisors who live in other parts of the country.
- In fact, it has been somewhat disappointing that client numbers have not yet reached our pre-Covid-18 levels. There have been some obvious causes of this, eg family problems of our managerial staff and some volunteers either moving on to other things or taking a temporary break. Trustees are looking into this – see Future Plans below.

CEDAR HOUSE PRESTON CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Achievements

- We are recruiting new student counsellors into our popular scheme to provide placement experience for their degree and diploma qualifications.
- We have two new prospective Trustees working alongside us. One is a local GP and the other is experienced in banking, strategic planning and trusteeship.
- Using expertise from these people we have agreed that Cedar House needs to move into a 'relaunch' period and have assessed the areas of need. Plans have been drawn up to prioritise these and to positively move forward. See below.
- We have a new Treasurer in place.

Future plans

- To increase number of sessions offered, both face to face and remote sessions will continue to be offered.
- Awareness in the community must be addressed and networking possibilities assessed.
- Client feedback process to be reintroduced to assess client satisfaction and possible points for improvement.
- A laptop for the office should be purchased to enable data input to be done by newcomers. These would need to be specifically chosen people with the right skills and training would need to be undertaken.
- We will continue to look for new trustees to enable some of our long-serving members to move on.
- We will seek additional management/administrational capacity, partly by upskilling existing members of the team.
- We will continue to use our Queen's Award to help us gain funding to make improvements and repairs to our building.
- To continue to offer excellent training opportunities to our volunteers, enabling us all to reach their full potential.
- To maximise the potential of our ability to offer remote counselling.
- To continue to maintain good relations with supporters and appropriate local agencies.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

CEDAR HOUSE PRESTON CIO

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

H N M Sewell
Chair of Trustee

Dated: 22 August 2023

CEDAR HOUSE PRESTON CIO

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CEDAR HOUSE PRESTON CIO

I report to the trustees on my examination of the financial statements of Cedar House Preston CIO (the charity) for the year ended 31 October 2022, which are set out on pages 2 to 8.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 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:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Julie Flintoff BA (Hons), FCA
Floor 1, Capital House
8 Pittman Court, Pittman Way
Fulwood
Preston
Lancashire
United Kingdom
PR2 9ZG

Dated: 25 August 2023

CEDAR HOUSE PRESTON CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 OCTOBER 2022

		Unrestricted funds	Unrestricted funds
		Year ended 31 October 2022	Period ended 31 October 2021
	Notes	£	£
<u>Income from:</u>			
Donations and legacies	2	39,440	29,926
Charitable activities	3	3,400	4,620
Other trading activities	4	1,105	1,901
Investments	5	59	6
Total income		44,004	36,453
<u>Expenditure on:</u>			
Charitable activities	6	45,945	45,360
Net expenditure for the year/ Net movement in funds		(1,941)	(8,907)
Fund balances at 1 November 2021		170,256	179,163
Fund balances at 31 October 2022		168,315	170,256

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

All income and expenditure derive from continuing activities.

CEDAR HOUSE PRESTON CIO

BALANCE SHEET

AS AT 31 OCTOBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		110,541		110,923
Current assets					
Debtors	10	7,353		3,511	
Cash at bank and in hand		62,889		71,198	
		70,242		74,709	
Creditors: amounts falling due within one year	11	(12,468)		(15,376)	
Net current assets			57,774		59,333
Total assets less current liabilities			168,315		170,256
Income funds					
<u>Unrestricted funds</u>					
Designated funds	12	45,541		45,923	
General unrestricted funds		57,774		59,333	
Revaluation reserve		65,000		65,000	
			168,315		170,256
			168,315		170,256

The financial statements were approved by the Trustees on 19 August 2023

Dr P Johns
Trustee

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SOFA as incoming resources when receivable.

The charity benefits from many voluntary hours and unclaimed out of pocket expenses contributed by a large number of people. It is impossible to put a value on these gifts in kind.

Income from interest is included when receipt is probable and the amount receivable can be measured reliably.

1.5 Resources expended

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

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets costing more than £250 are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation charged
Computers	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.9 Financial instruments

The charity only has financial assets (debtors, cash and bank balances) and liabilities (creditors and accruals) of a kind that qualify as basic financial instruments. They are initially recognized at transaction value and subsequently measured at their settlement value.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

2 Donations and legacies

	2022 £	2021 £
Donations and gifts	28,090	22,395
Gift Aid	5,792	2,991
General grants provided by other charities	5,558	4,540
	<u>39,440</u>	<u>29,926</u>

3 Charitable activities

	2022 £	2021 £
Training/Counselling	3,400	4,620
	<u>3,400</u>	<u>4,620</u>

4 Other trading activities

	2022 £	2021 £
Fundraising events	1,105	1,901
	<u>1,105</u>	<u>1,901</u>

5 Investments

	2022 £	2021 £
Interest receivable	59	6
	<u>59</u>	<u>6</u>

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

6 Charitable activities

	2022 £	2021 £
Staff costs	31,421	30,977
Heat and light	1,530	916
Water	339	316
Telephone	1,374	1,670
Repairs and renewals	515	1,461
Office expenses	1,378	1,482
Supervision	3,790	3,620
Professional fees	550	418
Other fees	1,101	978
Accountancy fees	1,884	1,680
Insurance	1,042	907
Sundry expenses	495	364
Depreciation	382	571
	<u>45,945</u>	<u>45,360</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

No trustee expenses have been incurred.

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	1	1
Charitable Activities	1	1
	<u>2</u>	<u>2</u>

Employment costs

	2022 £	2021 £
Wages and salaries	28,555	27,407
Social security costs	599	2,177
Other pension costs	2,267	1,393
	<u>31,421</u>	<u>30,977</u>

There were no employees whose annual remuneration was £60,000 or more.

9 Tangible fixed assets

	Freehold land and buildings £	Computers £	Total £
Cost or valuation			
At 1 November 2021	110,000	2,908	112,908
At 31 October 2022	<u>110,000</u>	<u>2,908</u>	<u>112,908</u>
Depreciation and impairment			
At 1 November 2021	-	1,985	1,985
Depreciation charged in the year	-	382	382
At 31 October 2022	<u>-</u>	<u>2,367</u>	<u>2,367</u>
Carrying amount			
At 31 October 2022	<u>110,000</u>	<u>541</u>	<u>110,541</u>
At 31 October 2021	<u>110,000</u>	<u>923</u>	<u>110,923</u>

At 31 October 2022, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £45,000 (2021 - £45,000).

The freehold property was last revalued at market value on 9 April 2015 by Bairstow Eaves, independent valuers not connected with the charity on the basis of market value. The valuation is still considered appropriate.

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

10 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	6,117	3,203
Prepayments and accrued income	1,236	308
	<u>7,353</u>	<u>3,511</u>

11 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Other taxation and social security		145	295
Deferred income		9,700	13,100
Accruals and deferred income		2,623	1,981
		<u>12,468</u>	<u>15,376</u>

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 OCTOBER 2022**

12 Unrestricted funds

	Balance at 1 November 2020 £	Incoming resources £	Resources expended £	Transfers	Revaluations, gains and losses £	Balance at 1 November 2021 £	Incoming resources £	Resources expended £	Transfers	Revaluations, gains and losses £	Balance at 31 October 2022 £
General funds	67,669	36,453	(44,789)	-	-	59,333	44,004	(45,563)	-	-	57,774
Designated funds											
Fixed asset fund	46,494	-	(571)	-	-	45,923	-	(382)	-	-	45,541
Revaluation reserve	65,000	-	-	-	-	65,000	-	-	-	-	65,000
	179,163	36,453	(45,360)	-	-	170,256	44,004	(45,945)	-	-	168,315

General Fund

The 'free' reserves of the charity after allowing for all designated funds.

Designated Fund

The unrestricted fixed asset fund of £45,541 is the value of the unrestricted funds already spent and represented by the tangible fixed assets of the charity. The resources expended of £382 represents the depreciation charge in the current year.

Revaluation reserve

The unrestricted revaluation reserve is the unrealised gain on the revaluation of freehold property.

CEDAR HOUSE PRESTON CIO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fund balances at 31 October 2022 are represented by:		
Tangible assets	110,541	110,923
Current assets/(liabilities)	57,774	59,333
	<hr/>	<hr/>
	168,315	170,256
	<hr/>	<hr/>

14 Related party transactions

During the year donations were received from trustees totalling £7,130 (2021: £3,000).

During the year trustees were paid £300 (2021: £390) for supervision fees when acting as volunteer counsellors. All volunteer counsellors receive contributions towards their fees.