

**COMPASS (COUNSELLING ON  
MERSEYSIDE – PASTORAL AND  
SUPPORTING SERVICE)**

**ANNUAL REPORT &  
FINANCIAL STATEMENTS FOR YEAR  
ENDED 31<sup>ST</sup> DECEMBER 2020**

**Company Number: 02235061  
Charity Number: 700335**

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## **COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE) TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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The Trustees are pleased to present their annual report for the year ended 31<sup>st</sup> December 2020.

The financial statements comply with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1<sup>st</sup> January 2015).

### **OBJECTIVES AND ACTIVITIES**

The charitable company seeks to provide accessible, affordable counselling to anyone over 18 in need of this service within Merseyside and Wirral.

The secondary objective is to provide training courses for counsellors.

In considering the objectives and activities, the Trustees have considered Charity Commission guidance on Public Benefit to ensure that the charitable company is meeting its Public Benefit requirements.

### **ACHIEVEMENTS AND PERFORMANCE**

Despite the challenges presented by the Covid-19 pandemic, Counselling on Merseyside – Pastoral and Supporting Service (Compass) has succeeded in its efforts to ensure continuing counselling for clients, many of whom require longer-term and more complex support than that available through statutory services. Staff and volunteers adopted a flexible and proactive approach that minimised barriers to support, providing individuals with more complex, long-term counselling despite the need to adopt radically changed practices in light of the cessation of face-to-face working.

Throughout 2020 the staff team, volunteers and Trustees worked together to adapt and learn, transforming our organisation, operating and providing services remotely whilst avoiding disruption to clients as much as possible. As 2020 started we were making good progress with ongoing plans to enhance income-generating services and we anticipated good revenue streams from Counselling for You, our enlarged range of Training Courses and a new aspect of the counselling service providing support to students at Liverpool John Moores University. After a promising start to the service, it was not possible to proceed with this work following suspension of face-to-face services. The pandemic has had a significant impact on revenue and Compass is fortunate that we were able to secure grant funding from a range of sources to ensure that our operating costs were provided at a time when income was low and unpredictable.

Client referrals and self-referrals fell over the year from 338 to 280 and 2,744 sessions were arranged, comparing very favourably with 3,150 sessions arranged in 2019 when we faced no operational difficulties. Reductions in uptake were greatest in income-generating services and this, coupled with a marked reduction in donations by clients of the Community Counselling service resulted in a decline in revenue that was greater than the reduction in the number of sessions arranged and delivered. This presents challenges in the coming year as we seek to increase financial support of Compass by our service users and grant makers.

Analysis of standardised outcome measures (GAD7 & PHQ-9) were harder to gather than under normal circumstances and some clients did not provide starting and ending measures as a result. We were able to obtain measures at assessment from 70 clients and at final session from 49 clients. This means that the following data should be viewed cautiously but, nonetheless, these data showed an average reduction of 52.6% in symptoms of anxiety and 59.9% reduction of symptoms of depression. Qualitative feedback demonstrates the high value of the work of our team of volunteer counsellors and supervisors.

## **COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE) TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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Clients consistently express their gratitude for the professional, warm, person-centred support that Compass offers and exemplifies how well clients relate to their counsellors.

In 2020 our Community Counselling service operated at only slightly reduced levels compared to 2019. This work by our volunteer team is greatly valued and, without doubt, was of great benefit to clients in the highly uncertain circumstances of the year. Counselling for You and Workplace Support both shrank in comparison with our usual levels of operation, and we will seek to increase these services again, as soon as circumstances permit. Having commenced the Surviving to Thriving project, providing support to survivors of childhood sexual abuse, as 2019 was ending, it was pleasing to see this service grow and provide highly valued specialist support to clients for whom it can be literally life-saving. In 2020, we provided 240 sessions to 28 clients and we hope to increase the scale and reach of this project once restrictions are relaxed. The Pioneer Project, supporting refugees and asylum seekers provided valuable support to clients but was temporarily suspended during the year. As part of this provision, Compass has developed specialist skills in working therapeutically through interpreters in order to meet the needs of clients who would otherwise be unable to access support. We found the pandemic made this service particularly complex to provide, due to some sessions involving an interpreter in addition to counsellor and client, but we were pleased, nonetheless, to be able to arrange 183 sessions.

Compass also continued the development of its training offer, providing CPCAB Level 2 courses "Introduction to Counselling Skills" and "Certificate in Counselling Skills". Students on all courses have expressed high levels of satisfaction with the quality of teaching they received, and many are progressing to higher levels of study in counselling.

Compass was awarded grants in excess of £65,000, provided by both local and national funders, to support existing services and implement projects. Of particular importance in the projects delivered in 2020 and supported by this grant funding was Compass' new provision of telephone and online counselling to ensure continuity for clients. These grants were in addition to the continued support of the National Lottery for Compass' Surviving to Thriving program.

### **Feedback from our clients**

- Thank you for all your help and support last year. I was a broken vessel when I first came to Compass I lived in a dark tunnel with no light and I kept secrets for many years. My life has changed for the better; I don't have to be ashamed anymore. You have saved my life in so many ways. I have found strength and I am as free as a bird.
- I don't think that anything could have been different or better, from the moment I contacted Compass everyone was so supportive. I feel like the organisation has saved my life, it has been like a big cushion.
- The programme offered and the counselling itself was excellent. The counsellor was very supportive without being patronising. I had a good rapport despite never meeting. I looked forward to the call.
- I felt listened to without being judged. The whole experience was very helpful and I can now move forward with more clarity about presenting issues.
- You helped me through it, I've made big improvements I've looked forward to the sessions and they helped me focus.
- I found the process really, really useful and gained new and unexpected insights into my life. The counsellor was respectful and warm. I reached a more secure place by the end of the sessions.

## **FINANCIAL REVIEW**

Income for the year was £186,842 (2019: £136,461) of which £121,537 (2019: £61,454), related to funding for projects upon which restrictions are placed.

Expenditure for the year was £160,408 (2019: £135,904), leaving a surplus for the year of £26,434 (2019: surplus £557).

At 31<sup>st</sup> December 2020 the charitable company's reserves stood at £188,339 (2019: £161,905) of which £115,055 (2019: £87,913) represented restricted funds.

## **INVESTMENTS**

The value of investments at year end 31<sup>st</sup> December 2020 was £nil, the investment portfolio was closed on 26<sup>th</sup> June 2018 (2019: £nil).

## **RISK MANAGEMENT**

The Trustees have conducted their own review of the major risks to which the charitable company is exposed, and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charitable company.

## **RESERVES POLICY**

It is the policy of the charitable company to maintain unrestricted funds, which are free reserves at a level to cover redundancy provision and three months' running costs should no further funding be received.

As at the end of the financial year the unrestricted funds has a surplus balance of £73,284. The charitable company requires £6,135 for redundancy provision and £16,503 for three months' running costs, (total £22,638).

Had the Covid-19 crisis not arisen, the Board would have sought to reinvest the excess funds. The costs associated with reinvestment and a further encashment cost if the funds were subsequently needed meant that an investment vehicle had not yet been sought.

## **PLANS FOR THE FUTURE**

The last year has presented challenges on a number of levels and has reinforced the importance of the counselling services provided by Compass.

To build on the proactive approach we have taken during these unprecedented times, we will be adopting a targeted programme to broaden sources of income and increase income generation.

We intend to underpin and embed the National Lottery (TNL) funded 'Surviving to Thriving' project with increased referrals. We will increase our networking, partnerships, and pathways of support. We plan, also, to further publicise the Pioneer Project service to referrers in order to enhance the support provided and further develop the 'Learning to Listen' programme.

Compass plans to develop further its presence on the internet and through social media channels. We will raise our profile in Merseyside, by becoming involved in NHS and Local Authority Networking events and developing partnerships to promote broader awareness of our work and the impact that it has.

## **COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE) TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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We will continue to examine our staff and volunteer roles to ensure that we have the right skills and staffing to provide services effectively.

An important aspect of this process will be to develop a broader range of volunteer roles and to make the team as representative of the wider community as possible. We will continue to review our counselling services and training in order to improve their quality and effectiveness.

We will support our staff team, and volunteers with continuing professional development, supervision and appraisal processes.

In the longer term, Compass is being remodelled to provide counselling and professional training in a range of ways, including remotely by telephone or secure video link, as well as directly.

As part of this programme, Compass commenced a phased return to the premises at Dale Street, in compliance with HSE guidelines.

### **Covid-19 Update**

In line with the issued Charities SORP, a note has been included here to highlight the impact of Covid-19 on Compass. As of late August 2021, the after effects of the pandemic continue to impact on the general population and this has been felt within Compass.

The impact of social distancing and shielding has meant that a main service line of Compass' income was reduced as face-to face counselling was not possible. This necessitated a change to the business model implemented by the Directors and the Board in a coordinated effort.

Early in the lockdown phase, Compass put in place remote working both for office-based support staff and for counselling.

The processes which were implemented ensured that Compass was compliant with Government and HSE Guidelines.

We continue to work within these parameters as we plan a phased return to office-based work and face-face counselling.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Compass (Counselling on Merseyside – Pastoral and Supporting Service) is a charitable company limited by guarantee (registered in England and Wales, No. 02235061) incorporated on 24<sup>th</sup> March 1988 and registered as a charity (No. 700335) on 10<sup>th</sup> June 1988.

The charitable company is governed by its Memorandum and Articles of Association dated 24<sup>th</sup> March 1988, amended by special resolution dated 15<sup>th</sup> March 2007.

The Board of Trustees are also its Directors. Members are elected by Annual General Meetings of the members of the council in accordance with the Articles of Association. Any one over the age of 18 can become a member. It is managed by an Executive Committee of Trustees. Executive committee meetings are held monthly and agenda items include finance, health & safety and staff reports.

Overall responsibility for the direction of the charitable company rests with the Council of Management. A Director and staff are employed to carry out the day-to-day functions of the charitable company. The charitable company operates an Equal Opportunities Policy in connection with the appointment and employment of staff.

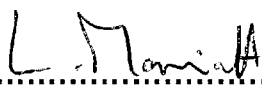
**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Name</b>	Compass (Counselling on Merseyside-Pastoral and Supporting Service)		
<b>Company Number</b>	02235061		
<b>Charity Number</b>	700335		
<b>Registered office</b>	151 Dale Street, Liverpool, Merseyside, L2 2AH		
<b>Trustees</b>	David Ashton Janette Carr	(Appointed 27th January 2021) (Resigned 17 <sup>th</sup> June 2021)	
	Colin Davies Jenna Kenyani Lee Marriott (Treasurer) Amanda Phillips Antony Turnbull (Chair)	(Resigned 16 <sup>th</sup> April 2021)	
<b>Independent Examiner</b>	Graham Wright B A (Hons), FCA DChA, C/o LCVS 151 Dale Street, Liverpool, L2 2AH		
<b>Bankers</b>	Allied Irish Bank, Old Hall Street, Liverpool, L3 9PP		

**Signed on behalf of the Board of Trustees**

  
.....  
**L Marriott**  
**Trustee**

Date: ..... 22.9.21 .....

## **COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE) STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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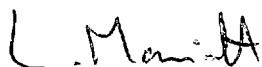
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principle in the Charities 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 company will continue as a going concern.
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining 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.

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1<sup>st</sup> January 2015).

**By the Order of the board,**



.....  
**L Marriott  
Trustee**

151 Dale Street,  
Liverpool,  
Merseyside,  
L2 2AH

Date: .....22.9.21.....



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**

I report on the accounts of the charitable company for the year ended 31<sup>st</sup> December 2020, which are set out on pages 9 to 19.

Respective  
responsibilities of  
trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent  
examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's  
statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: **Mr. Graham Wright**  
Relevant professional qualification or body: **FCA DChA**  
Address: **c/o LCVS 151, Dale Street, Liverpool, L2 2AH**

Dated: 22 September 2021

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)  
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE  
ACCOUNT) FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Income and endowments from:</b>					
Donations and legacies	3a	8,347	-	8,347	23,353
Charitable activities	3b	50,688	121,537	172,225	108,484
Other trading activities	3c	6,165	-	6,165	4,467
Investments	3d	105	-	105	157
<b>Total income</b>		<b>65,305</b>	<b>121,537</b>	<b>186,842</b>	<b>136,461</b>
<b>Resources expended</b>					
Raising funds		-	-	-	96
Charitable activities	4	66,013	94,395	160,408	135,808
<b>Total resources expended</b>		<b>66,013</b>	<b>94,395</b>	<b>160,408</b>	<b>135,904</b>
<b>Net (expenditure)/income, net movement in funds</b>		<b>(708)</b>	<b>27,142</b>	<b>26,434</b>	<b>557</b>
Total funds brought forward	9,10	73,992	87,913	161,905	161,348
<b>Total fund carried forward</b>	<b>8-10</b>	<b>73,284</b>	<b>115,055</b>	<b>188,339</b>	<b>161,905</b>

The notes on pages 11 to 19 form part of these accounts.

All the above amounts relate to continuing activities of the charitable company.

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**BALANCE SHEET AS AT 31<sup>ST</sup> DECEMBER 2020**

COMPANY NUMBER: 02235061

	Notes	31 <sup>st</sup> December 2020 £	31 <sup>st</sup> December 2019 £
<b>Fixed assets</b>			
Tangible fixed assets	5	1,252	-
<b>Current assets</b>			
Debtors	7	2,895	1,334
Cash at bank and in hand		188,010	167,207
		-----	-----
		190,905	168,541
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	8	(3,818)	(6,636)
		-----	-----
<b>Net current assets</b>		187,087	161,905
		-----	-----
<b>Total assets less current liabilities</b>		<b>188,339</b>	<b>161,905</b>
		=====	=====
<b>Funds:</b>			
Unrestricted funds	9, 10	73,284	73,992
Restricted funds	9, 10	115,055	87,913
		-----	-----
		<b>188,339</b>	<b>161,905</b>
		=====	=====

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).


These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

For the period covered by these accounts the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The Trustees, who are the Directors of the charitable company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board on .....22-9-21....., and signed on their behalf by:

..........

**L Marriott**  
**Trustee**

22 September 2021

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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**1. Limited Liability**

The charitable company is a company limited by guarantee. Each member's liability is limited up to £1.

**2. Accounting Policies**

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2015) (effective 1<sup>st</sup> January 2015), Charities Act 2011 and the Companies Act 2006.

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

The Charitable Company 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.

**Going concern**

Over the last few years, the board of trustees and director have sought to find and implement alternative sources of funding. This has been made more difficult by Covid-19 has had a huge impact on the country and this has been felt within Compass.

Compass operates with a small number of staff. Even with fewer clients, it was necessary to continue to employ all the staff remotely during the lockdown phase; the furlough scheme could not be used to reduce staff costs.

We are in discussions with one of our funding bodies to re-negotiate the scope and purpose of the allocated budget

To supplement the loss of income, support grants have secured which will be reflected in the accounts to 31st December 2021. As a result, cash flow projections indicate that Compass can operate as a going concern for the foreseeable future and is being constantly reviewed.

**Fund accounting**

Unrestricted funds are the Charitable Company's free reserves available for the Trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

**Income recognition**

All income is recognised once the charitable company has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and gift aid which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accrual's basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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Income from other trading activities relates to fundraising events, room hire and report writing and is recognised when the amount is certain.

Income from investment relates to bank interest and income from investments received and is recognised when the amount is certain.

**Expenditure recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual's basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charitable company comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

**Fixed assets**

Capital expenditure of £250 and above is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Computer Equipment	25% per annum straight-line basis
Fixture & Fittings	20% per annum Reducing basis

**Investments**

Investments are included at market value. Realised and unrealised gains and losses are reported in the Statement of Financial Activities. The investments were closed on 26<sup>th</sup> June 2018.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

**Financial instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)  
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

**Basic financial assets**

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

**Critical accounting estimates and judgements**

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

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

**Taxation**

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

**3. Income and endowments from:**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>a. Donations and legacies</b>				
Donations	5,954	-	5,954	22,798
Gift aid	2,393	-	2,393	555
	<b>8,347</b>	<b>-</b>	<b>8,347</b>	<b>23,353</b>
	=====	=====	=====	=====

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>b. Charitable activities</b>				
Counselling service	28,010	-	28,010	30,571
John Moores Foundation	-	-	-	5,000
LCR Cares	-	5,000	5,000	-
LCVS Community Impact Fund	-	-	-	2,000
Liverpool City Council - Business support grant	10,000	-	10,000	-
Liverpool City Council - Our Liverpool	-	5,000	5,000	2,500
Lloyds Bank Foundation	-	-	-	5,000
Medicash Charitable Trust	-	-	-	7,500
Memberships	393	-	393	453
National Lottery Community Fund	-	60,956	60,956	39,454
National Lottery Community Fund – Covid Community Fund	-	14,700	14,700	-
P H Holt Foundation	-	15,000	15,000	-
Steve Morgan Foundation (Covid)	-	5,881	5,881	-
Steve Morgan Foundation (Communities Can)	-	15,000	15,000	-
Training	12,285	-	12,285	16,006
	<b>50,688</b>	<b>121,537</b>	<b>172,225</b>	<b>108,484</b>
	=====	=====	=====	=====
<b>c. Other trading activities</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising	6,165	-	6,165	4,339
Report income	-	-	-	120
Room hire	-	-	-	8
	<b>6,165</b>	<b>-</b>	<b>6,165</b>	<b>4,467</b>
	=====	=====	=====	=====
<b>d. Investments</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank interest	105	-	105	157
	=====	=====	=====	=====

**4. Expenditure on charitable activities**

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2020 £	Total 2019 £
To provide counselling service and training.	76,418	83,990	160,408	135,808
	=====	=====	=====	=====

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

**a. Analysed as follows:**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<i>Direct charitable expenditure:</i>		
Staff salary costs	36,556	54,601
Pension	699	656
Room hire	1,018	4,667
Volunteer and counsellor expenses	17,942	24,618
Running costs	17,464	17,746
Local giving	96	-
Equipment and supplies	1,036	247
Translation and interpreter fees	1,607	2,667
	<b>76,418</b>	<b>105,202</b>

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<i>Support &amp; Governance costs:</i>		
Staff salary costs	67,263	15,246
Pension	1,005	247
Office costs	5,237	5,664
Insurance	524	172
Training	1,751	3,406
Recruitment	-	325
Health & Safety	148	-
Travel expenses	287	402
DBS fees	79	158
Refreshments	82	86
Legal and professional	1,956	2,322
Membership fee	2,664	-
Website	270	603
Advertising	289	-
Bank charges	470	571
Company register filing fee	13	-
Sundry expenses	152	-
Payroll fees	603	579
Accountancy	825	825
Depreciation	372	-
	<b>83,990</b>	<b>30,606</b>

<b>Total expenditure on charitable activities</b>	<b>160,408</b>	<b>135,808</b>
	<b>=====</b>	<b>=====</b>

£94,395 (2019: £45,383) of the above expenditure relates to restricted funding.



**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

<b>b. Staff Costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gross wages and salaries	101,837	69,718
Social security costs	1,982	129
Pension	1,704	903
	-----	-----
	<b>105,523</b>	<b>70,750</b>
	=====	=====

**c. Particulars of Employees:**

Average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	<b>2020</b>	<b>2019</b>
Charitable activities	<b>5.2</b>	<b>3.5</b>
	=====	=====

No employee received emoluments of more than £60,000 during the year

The Trustees are not remunerated for their services and are not included in the above number of employees.

Trustees were reimbursed for travel and training cost in the year of £nil (2019: £nil).

**5. Tangible fixed assets**

	<b>Computer Equipment</b>	<b>Fixture &amp; Fittings</b>	<b>Total</b>
<b>Cost:</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 <sup>st</sup> January 2020	5,760	-	5,760
Additions in the year	945	679	1,624
	-----	-----	-----
Balance at 31 <sup>st</sup> December 2020	<b>6,705</b>	<b>679</b>	<b>7,384</b>
	=====	=====	=====
<b>Depreciation:</b>			
Balance at 1 <sup>st</sup> January 2020	5,760	-	5,760
Charge for the year	236	136	372
	-----	-----	-----
Balance at 31 <sup>st</sup> December 2020	<b>5,996</b>	<b>136</b>	<b>6,132</b>
	=====	=====	=====
<b>Net Book Value:</b>			
Balance at 31 <sup>st</sup> December 2020	<b>709</b>	<b>543</b>	<b>1,252</b>
	=====	=====	=====
Balance at 31 <sup>st</sup> December 2019	-	-	-
	=====	=====	=====

**6. Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Prepayments	<b>2,895</b>	<b>1,334</b>
	=====	=====

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

**7. Creditors: amounts falling due within one year**

	2020	2019
	£	£
Accruals	3,818	6,636
	=====	=====

**8. Analysis of Net Assets between Funds**

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
<b>Unrestricted Funds</b>			
General Fund	544	72,740	73,284
	-----	-----	-----
<b>Restricted Funds</b>			
Liverpool City Council - Our Liverpool	-	5,000	5,000
Liverpool City Council – Pioneer Fund	299	26,477	26,776
National Lottery Community Fund	200	63,639	63,839
National Lottery Community Fund – Covid Community Fund	-	10,736	10,736
P H Holt Foundation	-	5,495	5,495
Steve Morgan Foundation (Covid)	209	-	209
Steve Morgan Foundation (Communities Can)	-	3,000	3,000
	-----	-----	-----
	708	114,347	115,055
	-----	-----	-----
<b>Totals</b>	<b>1,252</b>	<b>187,087</b>	<b>188,339</b>
	=====	=====	=====

**9. Unrestricted Funds**

	Funds at Beginning of Year	Movements in the Year		Funds at End of Year
	£	Income	Expenditure	£
General Fund	73,992	65,305	(66,013)	73,284
	=====	=====	=====	=====

**General Fund** is used to finance the charitable company's general activities as outlined in the Trustees' Report.

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

**10. Restricted Funds**

	<b>Funds at Beginning of Year</b>	<b>Movements in the Year</b>		<b>Funds at End of Year</b>
	<b>£</b>	<b>Income</b>	<b>Expenditure</b>	<b>£</b>
John Moores Foundation	3,187	-	(3,187)	-
LCR Cares	-	5,000	(5,000)	-
LCVS Community Impact Fund	948	-	(948)	-
Liverpool City Council - Our Liverpool	2,265	5,000	(2,265)	5,000
Liverpool City Council – Pioneer Fund	40,074	-	(13,298)	26,776
Lloyds Bank Foundation	2,265	-	(2,265)	-
Medicash Charitable Trust	917	-	(917)	-
National Lottery Community Fund	38,257	60,956	(35,374)	63,839
National Lottery Community Fund – Covid Community Fund	-	14,700	(3,964)	10,736
P H Holt Foundation	-	15,000	(9,505)	5,495
Steve Morgan Foundation (Covid)	-	5,881	(5,672)	209
Steve Morgan Foundation (Communities Can)	-	15,000	(12,000)	3,000
	<b>87,913</b>	<b>121,537</b>	<b>(94,395)</b>	<b>115,055</b>
	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

**Description of Funds**

These are monies given to the charitable company to be spent at the discretion of the Board of Trustees for specific charitable purposes, as follows:

**John Moores Foundation** – Contribution towards counselling service.

**LCR Cares** - Contribution towards counselling service.

**LCVS Community Impact Fund** - Contribution towards counselling service.

**Liverpool City Council - Our Liverpool** - Contribution towards listen project for supporting asylum seekers and refugees

**Liverpool City Council – Pioneer Fund** Contribution towards the Pioneer Project, counselling service supporting refugees and those seeking asylum.

**Lloyds Bank Foundation** - Contribution towards counselling service.

**Medicash Charitable Trust** - Contribution towards 'Community Counselling Service'.

**National Lottery Community Fund** - Contribution towards 'Survivor to Thrive' Recovery Programme'.

**National Lottery Community Fund – Covid Community Fund** – Contribution towards support development of remote video working

**P H Holt Foundation** – Contribution towards 'Community Counselling Service'.

**Steve Morgan Foundation (Covid)** - Contribution towards support implementation of remote video working

**Steve Morgan Foundation (Communities Can)**- Contribution towards support for vulnerable people

**COMPASS (COUNSELLING ON MERSEYSIDE – PASTORAL AND SUPPORTING SERVICE)**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

**11. Operating Lease Commitments**

The organisation has a licence commitment in relation to rental of premises at 151 Dale Street dated March 2018; the licence has a one-month notice clause. Also, there is a five years lease commitment taken out in January 2019 in respect of a photocopier. Payments fall due as under:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Premises	1,333	1,333
Photocopier	3,600	4,800
	-----	-----
Total due within one year	2,533	2,533
Total due within one to two years	1,200	1,200
Total due within two to five years	1,200	2,400
	-----	-----
	4,933	6,133
	=====	=====

**12. Related Party Transactions**

There were no material related party transactions during the year which require disclosure (2019: none).

**13. Guarantees**

As at 31<sup>st</sup> December 2020, 6 members had given a guarantee of £1 each in the event of the charitable company winding-up, total: £6 (2019: 6 members £6).