

Network Counselling and Training Limited

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

A COMPANY LIMITED BY GUARANTEE NUMBER 1951370

CHARITY NUMBER 292801



NETWORK COUNSELLING AND TRAINING LIMITED
TRUSTEES ANNUAL REPORT - YEAR ENDED 31 JULY 2019

CONTENTS	PAGE
Administrative details of the charity and its advisors	2
Annual report:	
Trustees Report	3 to 6
Training Report	7 to 8
Counselling Report	9 to 13
Independent Examiner's report to the Trustees	14
Statement of Financial Activities (including income and expenditure account)	15
Balance Sheet	16
Notes to the financial statements	17 to 26

NETWORK COUNSELLING AND TRAINING LIMITED

TRUSTEES ANNUAL REPORT - YEAR ENDED 31 JULY 2019

Status

The company is a registered charity and limited by guarantee. The working name it uses is Network Counselling and Training.

Trustees

Eileen Cahill (Chair)

Phillip Corbin (Treasurer)

Vicky Elliott

Elizabeth Mumford – resigned 20 March 2019

Stephen Richard Lyne – appointed 30 November 2018

Gita Cathalina Samuelsson – appointed 30 November 2018

Company Secretary

Nick Ruff

Registered office

Elm Park

Filton

Bristol BS34 7PS

Independent Examiner

Neil M Kingston FCA

Burton Sweet Chartered Accountants

The Clock Tower, 5 Farleigh Court,

Old Weston Road,

Flax Bourton, Bristol BS48 1UR

Bankers

HSBC Bank plc

11 Canford Lane

Westbury-on-Trym

Bristol BS9 3DE

CAF Bank plc

PO Box 289

West Malling

Kent ME19 4TA

Bank of Scotland

PO Box 208

21 Prince Street

Bristol BS99 7JG

Solicitors

Capstone Solicitors

62 Gloucester Road

Bristol BS8 4AN

NETWORK COUNSELLING AND TRAINING LIMITED

REPORT OF THE BOARD OF TRUSTEES

The Board of Trustees of Network Counselling and Training Limited report and financial statements for the year ended 31 July 2019.

Preamble: Statement of Responsibilities

The Trustees (who are also Directors of Network Counselling and Training Limited) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare a financial statement for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Trustees must not approve the financial statements unless surplus or deficit of the Company for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and to disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

About Network – Its Constitution

Network is constituted as a company limited by guarantee (Company No. 1951370) and governed by its Memorandum and Articles of Association dated 16th July 2008.

It was registered with the Charity Commission on 11 November 1985 (Charity No. 292801).

Network's purpose is to promote physical, mental, emotional and spiritual health and well-being in the context of a Christian ethos by:

- providing professional counselling services on an affordable basis
- providing a range of educational and training opportunities in counselling and related areas
- providing other opportunities for personal, psychological and spiritual development.

NETWORK COUNSELLING AND TRAINING LIMITED

About Network – How it Works

Network continues to provide affordable counselling and training in counselling and listening skills. This is made possible by the effective management of running costs, income from training and room hire, support from volunteered services, charitable monetary gifts and other fundraising efforts. Volunteer counsellors typically offer 3 sessions of counselling a week, at the Company's headquarters in Elm Park, Filton, Bristol, and at St Luke's Church in Bath. Volunteer counsellors receive free supervision, professional indemnity insurance and travel costs, and also discounted CPD training.

Network is a nationally accredited counselling and listening skills training course provider. Courses include CPD for the counselling and allied professions, introductory courses for listening skills and person centred counselling, an Advanced Certificate in Counselling, and a British Association for Counselling and Psychotherapy (BACP) accredited Diploma Course in Counselling. Other voluntary and pro bono work supplements the efforts of the salaried staff, all of whom are part-time.

Members of the Board of Trustees

The members named below have held office from 1 August 2017 to the date of this report unless otherwise stated:

Eileen Cahill (Chair)	Elected Dec 2012,
Phillip Corbin (Treasurer)	Elected April 2009
Vicky Elliott	Co-opted June 2013, Elected Feb 2014
Gita Samuelsson	Elected 30 th November 2018
Stephen Lyne	elected 30 th November 2018

Review of Network's Charitable Objectives

Network continued to deliver its objectives during the financial year ended 31 July 2019.

1. **providing professional counselling services on an affordable basis.** The provision of affordable, low cost counselling continued. The Annual Counselling Report demonstrates the continued demand for this service.
2. **providing a range of educational and training opportunities in counselling and related areas, and providing other opportunities for personal, psychological and spiritual development.** Network continues to provide Certificate and Diploma level courses in counselling, as well as training in listening skills, and Continued Professional Development workshops and short courses.
3. **providing services within a Christian ethos.** Network's Christian Ethos is rooted in faith in a personal God, recognising that this may differ for each person. We hold to the power of redemptive love, of grace and new beginnings. We seek to live out a belief in the fundamental worth of all people by welcoming and working with people from all walks of life.

The organisation continues to adhere to the ethical guidelines and standards set by the BACP, of which it is a member.

NETWORK COUNSELLING AND TRAINING LIMITED

Summary of the Year 2018/2019

Staff changes: After four years as General Manager, during which he demonstrated considerable energy and tenacity in acquiring, financing and refurbishing a new home for Network at Elm Park, Nick Ruff stepped down from the role in March 2019. We are deeply indebted to him for all his work, and for remaining involved on an ad hoc basis until the 2019 AGM. Rita Smith replaced him as General Manager at the end of March 2019 and is proving herself well in the role.

In August 2018, Louise Mill indicated her wish to resign as Head of Counselling, and she remained in post until March 2019 when a successor was appointed. Sadly, this arrangement did not work out, and Network has re-advertised for this post.

There have been changes amongst the Receptionist staff. Yvonne Preece resigned and was replaced by Anne Geary and Stephanie Watkins.

Val Hills, who was our Bookkeeper for many years, retired in November 2018 and was replaced by Jackie Jones.

Overall 14 staff were employed, all on a part-time basis. They amounted to a full-time equivalent staffing quota of 4.35 people.

The number of volunteer counsellors has remained steady throughout the year, between 37 and 43 counsellors at any one time. The work they do with their clients is at the heart of Network's mission, and we are indebted to their generosity and commitment to helping those who come to us in need.

Comment: Every year the Trustees recognise the huge effort by staff, volunteers and supporters, all of whom go beyond what might be expected because they believe so much in what Network is doing. The year in question was marked by many staff changes which can be unsettling to any organisation. We thank all staff and volunteers for ensuring that the highest standards of training and personal development were maintained during the transition period, and that clients experienced a safe, welcoming and professional service.

Finances: The 2018/2019 financial year presented challenges as the final costs of construction were met. As a consequence, the end of year reserves was low, and it was not possible to start repayment of the short-term loans of £110,000. The Management Team and Trustees have agreed a 2019/20 budget, which should enable progress on repayment of the short-term loans and the maintenance of adequate reserves. The Trustees are confident that the business plan will produce positive results over the next two to three years.

Results and State of Company Affairs: The state of the Company's affairs is shown in the financial statements and notes.

Plans for 2019/20

Network strategy 2019-23

Building on consultation with staff, volunteer counsellors, students and clients, the early part of 2019/20 will see the organisation finalise its strategy and operational plan for the next four years. This will be presented at the 2019 AGM.

As the construction project chapter has drawn to a close and Network is secure in its home, we look to the future and to how we are able to deliver our best work for people experiencing mental health difficulties. The strategy will include ambitions to deliver more services to a greater number of

NETWORK COUNSELLING AND TRAINING LIMITED

people in need, and to grow the delivery of high quality training in support of the counselling profession. In 2019/20 the focus will be on laying the foundations through improving our operational effectiveness, ensuring financial sustainability and strengthening team cohesion.

Key areas of work will be:

- Retaining and recruiting volunteer counsellors.
- Maintaining and developing our relationships with the local community in Filton, Patchway, Southmead and Lockleaze.
- Developing and delivering our first youth counselling qualification.
- Improving our core systems and processes.
- Growing income and managing resources to deliver our work.
- Repayment of short term loans.

Risk Management

The Trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate these risks.

Public Benefit

The Trustees have had due regard to the public benefit guidance published by the Charity Commission. The Company provides a counselling service that is affordable to anyone who needs it. It does not turn away anyone who needs counselling because they cannot pay for it, nor does it place the needs of those who cannot pay secondary to the needs of those who can. The Trustees are satisfied that the Company's objectives and practice continue to satisfy the public benefit test.

Reserves Policy

The Board of Trustees approved reserve policy follows new guidance published by the Charity Commission in January 2016. This is reviewed annually.

As at 31 July 2019, the unrestricted cash reserves were £20,808 which is below the current target policy of £30,000. This is accepted as a temporary situation due to the one-off impact of the building project. The trustees note that priority is to repay the loans whilst maintaining an acceptable level of cash reserves that for the coming couple of years may well be lower than the agreed £30,000 policy but they will work to bring them back up to £30,000 cash reserves during the 2020-21 year.

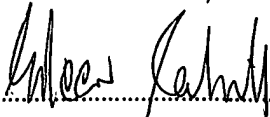
The free reserves of the charity are currently £3,770 which is considered a temporary situation due to the impact of the building project and the trustees seek to build up the free reserve of the charity during future years.

DECLARATION

The annual report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and was approved by the Board of Trustees on

.....
30. 11. 2019

Signed on its behalf by:

.....


Eileen Cahill, Chair of Trustees

NETWORK COUNSELLING AND TRAINING LIMITED

Training Department Report

“The course is fantastic.....The standard of teaching and Tutoring is consistently excellent”

“Inspiring”

“Totally amazing”

“Life changing”

The Training Department has had yet another excellent and full year. We have seen a good number of students attending all of our courses. Feedback we receive from students show us that we are continuing to meet their needs and offering high quality training. It is a pleasure to celebrate with our students when they graduate from their courses, knowing that they are well equipped to move on towards their future careers and aspirations.

We have also been able to support external organisations through delivery of our Listening Skills courses and we continue to develop this area of work.

Introductory Courses

Three introductory courses, 'Being There' and 'A Way of Being' ran over the 2018-2019 academic year, seeing a total of 48 students through the courses. A number of students from both cohorts of the 'A Way of Being' course are going on to join the Advanced Certificate course.

We were sad to say good-bye to Joy Trevivian who has been teaching on the Introductory Courses and external courses.

Advanced Certificate in Counselling skills

The academic year began in September 2018 with a full course. Louise Mill and Yvette Perryman continue to teach and support students with this one year course. A number of students from the course will continue their Counselling training journey onto the Diploma which starts in 2020. A number will also continue with Network during the interim gap year, keeping their skills and knowledge up to date.

Diploma in Counselling 2018-2020 Cohort

Our 2018 cohort began their first year of training in September and we are pleased this was with a full course. Sue Cater as Course Leader and Nigel Gibbons as Tutor continue working alongside our students offering them supportive and yet challenging learning opportunities as they embark on the Diploma course. We are very pleased that many of these students join our Counselling Department to undertake their counselling placement.

We were very pleased to have Jayne Burrows join the Diploma as a volunteer facilitator, supporting students in their skills practice, we are very grateful to Jayne for the time she was able to give to Network Students.

NETWORK COUNSELLING AND TRAINING LIMITED

2016-2018 Cohort

Diploma students continued into their third year of the Diploma, progressing in their studies and undertaking their counselling placements, often within our Counselling Department. Sue Cater and Nigel Gibbons continue to support these students in their final year, and it has been a joy to see many complete their Diploma to become fully qualified Counsellors. Well done to you all.

Mentoring Programme

Our mentoring programme has been very successful and we are deeply grateful to Sam Carrier and Maggie Fordham who have offered their expertise in supporting students on the Advanced Certificate and Diploma courses as volunteer Mentors. Students have found the support offered invaluable. Thank you Sam and Maggie for your encouragement and support to our students.

CPD

During the 2018-2019 academic year we delivered four CPD events, all were attended well. We had some very interesting and skilled speakers and the CPD days were very popular. Sadly, we had to cancel the planned Conference due to low numbers but this has been re-scheduled for later in the year.

Exploring Professional Practice Groups

The Exploring Professional Practice Groups continue and have proved popular, with counsellors giving very positive feedback. This is an opportunity for counsellors and supervisors to receive affordable CPD as well as an opportunity to meet with one another, share ideas and socialise. We are able to offer these evening sessions to Network volunteers at no cost and at a minimal fee to non-Networkers. These are run bi-monthly and open to all counsellors, student counsellors and supervisors.

External Courses

We have begun to deliver a second round of Listening Courses for the St Peters Church Listening Ear Project. The project operates out of the St Peters café and offers a volunteer based listening service to people on a drop in basis. In partnership with St Peters Church, Network is delivering training for a second cohort of volunteer listeners and supporting the continued delivery of the service for members of the Filton community.

Louise Mill delivered a Listening Course to early years support practitioners working within the Bristol Community Health team. The course was well received by practitioners who work with families with children who have life limiting illnesses, as a result, they appreciated the opportunity to develop their listening skills giving them more confidence when working with families and children.

Finally, a big thank you to the members of the Training Department. Sue Woodhead-Marsh as Training Co-ordinator makes all of this work possible, and our Tutors, Louise Mill, Yvette Perryman, Sue Cater, Nigel Gibbons and Joy Trevivian have worked tirelessly to provide professional, high quality counselling training.

Anne Duke
Head of Training
September 2019

NETWORK COUNSELLING AND TRAINING LIMITED

COUNSELLING DEPARTMENT REPORT

"There's a wonderful charity in Bristol called Network who offer counselling for as much as you can afford to pay; my partner put me onto it when I was in my cyclical behaviours and it changed my life."

-Joe Talbot, of Bristol-based band Idles, who recently achieved a top-5 album and won the Q Award for Best Breakthrough Act of 2018, in a press interview 17th November 2018

Thanks

As Acting Head of Counselling I want to express my thanks to all the counsellors who work hard and give their time for free to provide a warm, professional, and committed service to our clients. Also our Receptionists, who are on the front line and take calls which can sometimes be very challenging from would-be clients in distress; and whose welcoming presence is commented upon by clients in their evaluation forms. I also want to thank David Goldstein for his organised and thoughtful work as Coordinator over the past two months and Rita Smith for her supportive management over the past six months. Finally, thanks to Louise Mill for leaving a legacy of systems and processes and an overall ethos which stands the service in good stead looking ahead.

Transitions

Change is the one permanent feature of life and Network's Counselling Department has had its fair share of change in 2018-19. Yvonne Preece left the Reception team, to be replaced by Stephanie Watkins and Anne Geary. During the recruitment process for the Head of Counselling post, and having been Counselling Co-ordinator for four years, I was asked in June to act as Head of Counselling. We have appointed David Goldstein to cover the Coordinator post on a fixed term basis from August 2019.

Many thanks to the counsellors for their continuing professionalism during this extended transition period.

Clients' experience of Network

Network continues to offer low-cost counselling to the general public and our counsellors continue to see a wide range of clients in different kinds of distress and to help clients to feel better and resolve issues. Most clients continue to report that counselling at Network has changed their lives for the better, and in some cases, transformed their lives. This is why we do this work and why Network exists.

Many clients continue to offer highly affirming evaluations of their counselling:

"Safe, professional, warm, life-changing" (January 2019)
"You gave me space, time and understanding at a very difficult time in my life, enabling me to move forwards, and gave me reminders of my positive qualities and characteristics when my self-esteem was in tatters". (February 2019)

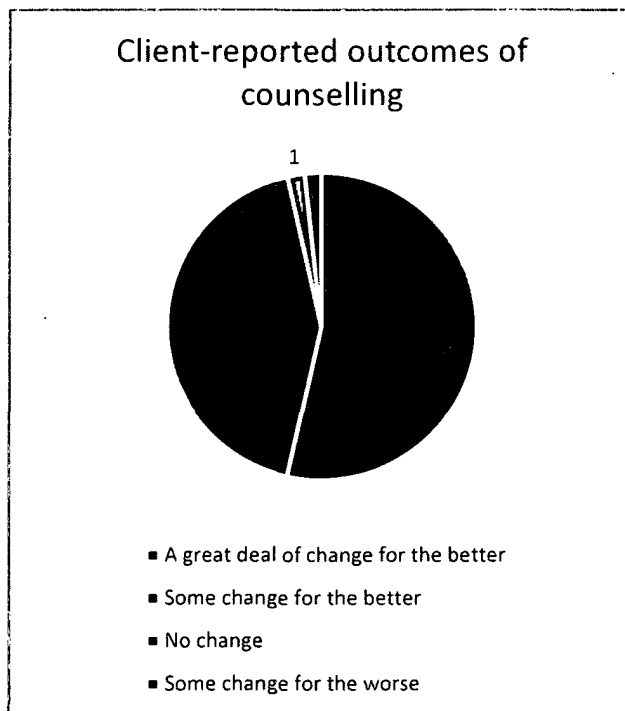
NETWORK COUNSELLING AND TRAINING LIMITED

"Thank you - it is an invaluable service. I have already recommended it to friends. I feel in a more positive place going forward to whatever the future holds". (June 2019)

And about their experience of the organisation as a whole:

"I have an enormous amount of praise for your organisation. The care and attention to detail makes it a very safe and friendly environment. So very grateful for subsidised fees without which I would not have been able to experience counselling. Has helped me to move on. Thank you." (April 2019)

We are clearly doing a lot right, if client evaluations are anything to go by: 97% of clients who returned an evaluation form reported some change for the better, or a great deal of change for the better as a result of counselling at Network; and 95% of clients who returned the form reported either an Excellent or a Very Good overall experience of Network.

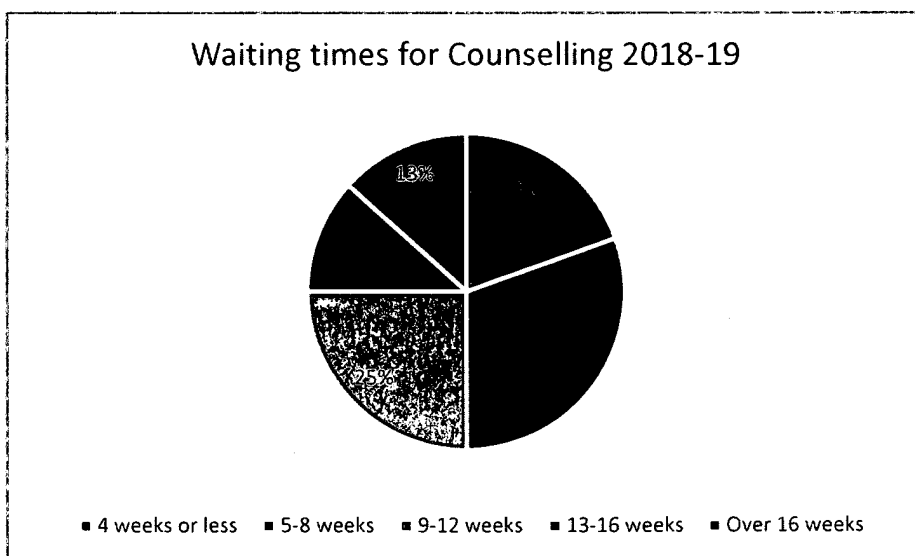


NETWORK COUNSELLING AND TRAINING LIMITED



The waiting list

The biggest change this past year has been the rapid growth in the number of counselling enquiries. The volume of enquiries rose dramatically in spring 2019 and we were unable to meet the demand for Initial Assessments in a timely manner and the waiting list grew rapidly, up to 80+ clients. As such we took the decision to close the waiting list in early May as We re-opened the waiting list in early July. Since then, we have again seen a growth in the number of enquiries. Having said this, in 2018-19 we offered counselling to 50% of clients within 8 weeks of their assessment meeting, almost exactly the same percentage as the previous year. We are planning to actively recruit more counsellors to respond to increased levels of demand.



I am pleased to say that the number of volunteer counsellors has remained steady throughout the year, between 37 and 43 at any one time. I am also pleased to say that we have had two qualified counsellors join us to volunteer in spring-summer 2019, with another counsellor waiting to re-join us after an absence of three years. On the other side, I am sad to see one of our longest-serving counsellors decide to gradually bring her Network work to an end.

NETWORK COUNSELLING AND TRAINING LIMITED

Numbers

In 2018-19 Network provided a total of 3,094 counselling sessions, slightly up on the previous year's total of 2,909. This is a pleasing reflection of the work undertaken given the transitions in the counselling team.

Our clients continue to be mostly female, and the proportion of male clients dropped this past year to 28%.

The biggest presenting issues continue to be general anxiety, stress and depression, followed by low self-esteem, relationship difficulties, family issues, trauma and loss/bereavement (chart below).

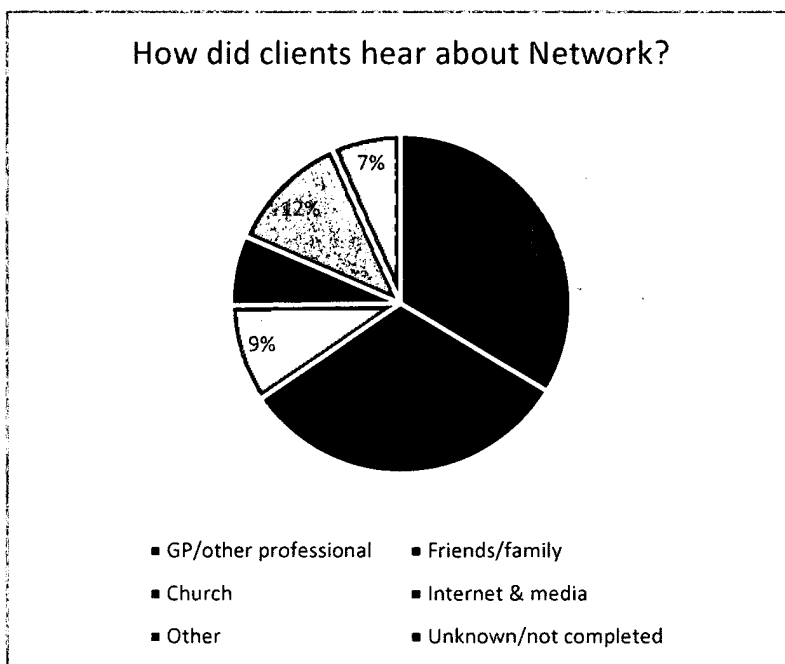
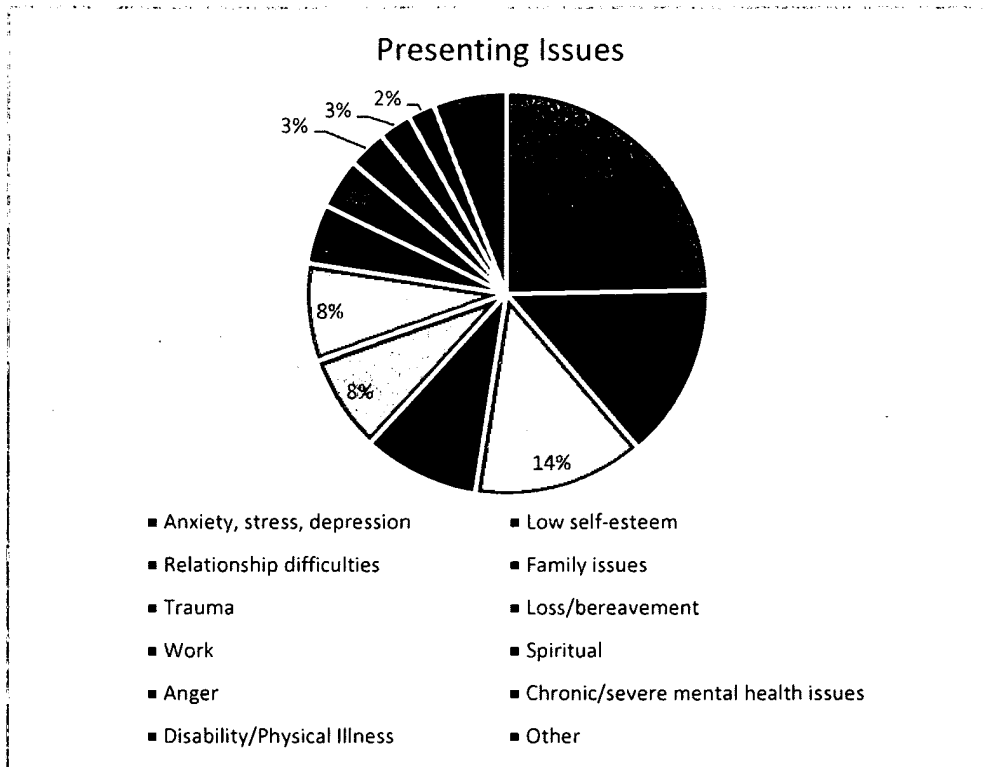
The referral paths to Network continue to be similar to previous years: most clients find their way to us via their GP or another professional (34%); word of mouth through family and friends (32%); and through their church (9%) (chart below).

Summary

It has been a year of transitions with many challenges and opportunities, endings and new beginnings for people within the counselling team. Throughout, the team has continued to offer a safe, warm and professional welcome to clients in distress and to help a great many people through compassionate, insightful active listening.

Andrew Dale
Acting Head of Counselling
September 2019

NETWORK COUNSELLING AND TRAINING LIMITED



NETWORK COUNSELLING AND TRAINING LIMITED

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES

YEAR ENDED 31 JULY 2019

Independent examiner's report to the trustees of Network Counselling and Training Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2019.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 accounts to be reached.

Neil M Kingston FCA
Burton Sweet Chartered Accountants
The Clock Tower
5 Farleigh Court
Old Weston Road
Flax Bourton
Bristol BS48 1UR

Date:

NETWORK COUNSELLING AND TRAINING LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

YEAR ENDED 31 JULY 2019

		Unrestricted		Restricted	Total Funds	Total Funds
	Note	General	Designated	Funds	2019	2018
		£	£	£	£	£
Income from:						
Donations and legacies	2	100,588	-	-	100,588	173,383
Other trading activities	3	16,714	-	-	16,714	15,553
Investment income		40	-	-	40	152
Charitable activities	4	120,111	-	-	120,111	113,303
Total income		<u>237,453</u>	<u>-</u>	<u>-</u>	<u>237,453</u>	<u>302,391</u>
Expenditure on:						
Raising funds	5	4,417	-	-	4,417	5,214
Charitable activities	6,7	233,953	-	2,205	236,158	216,254
Total expenditure		<u>238,370</u>	<u>-</u>	<u>2,205</u>	<u>240,575</u>	<u>221,468</u>
Net income/(expenditure)		(917)	-	(2,205)	(3,122)	80,923
Transfers between funds	19	(22,726)	22,726	-	-	-
Total funds at 1 August 2018		27,413	431,823	41,588	500,824	419,901
Total funds at 31 July 2019	19	<u>3,770</u>	<u>454,549</u>	<u>39,383</u>	<u>497,702</u>	<u>500,824</u>

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing

Prior year fund comparatives are shown in note 14

The notes on pages 17 to 26 form part of these financial statements

NETWORK COUNSELLING AND TRAINING LIMITED

BALANCE SHEET

AS AT 31 JULY 2019

Company No. 01951370

	Note	2019 £	2018 £
Fixed Assets			
Tangible assets	15	949,695	941,225
Current Assets			
Stock		-	1,511
Debtors	16	3,343	1,756
Cash at bank and in hand		20,808	38,942
		<u>24,151</u>	<u>42,209</u>
Creditors : Amounts falling due within one year	17	<u>(92,385)</u>	<u>(126,093)</u>
Current Assets Less Current Liabilities		(68,234)	(83,884)
Creditors : Amounts falling due after more than one year	18	(383,759)	(356,517)
Net assets		<u>497,702</u>	<u>500,824</u>
Funds			
Unrestricted funds	19	3,770	27,413
Designated funds	19	454,549	431,823
Restricted funds	19	39,383	41,588
		<u>497,702</u>	<u>500,824</u>

For the year in question, the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' responsibilities;

The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

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

These financial statements were approved by the trustees on 30.11.2019 and are signed on their behalf by:


Eileen Cahill
Chair of Trustees

The notes on pages 17 to 26 form part of these financial statements

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102, the Companies Act 2006, the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (FRS 102).

The charity is a public benefit entity as defined under FRS102.

The trustees consider that there are no material uncertainties affecting the ability of the charity to continue as a going concern, and therefore the financial statements are prepared on the going concern basis.

- b) All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.
- c) Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of donation.
- d) Legacies are recognised when the charity is legally entitled to the legacy and the amount can be quantified with reasonable accuracy. Entitlement is regarded as the earlier of the charity being notified of an impending distribution or the legacy being received.
- e) Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.
- f) Raising funds costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.
- f) Expenditure on tangible assets is capitalised if the cost of any item exceeds £1,000.
- g) Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:
- | | |
|---------------------|-------------------|
| Freehold Property | 2% straight |
| Leasehold Property | 123 years |
| Plant & Machinery | 4% straight line |
| Fixtures & fittings | 25% straight line |
- h) Unrestricted funds are donations and other income received or generated for the objects of the charity without further specified purpose and are available as general funds, unless designated by the Trustees.
- i) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
- j) The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the period.

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Counselling client donations	53,108	-	53,108	53,715
Charitable donations and grants	47,235	-	47,235	119,668
Subscriptions	245	-	245	-
	<u>100,588</u>	<u>-</u>	<u>100,588</u>	<u>173,383</u>

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Room hire	15,461	-	15,461	8,939
Fundraising events and activities	1,253	-	1,253	6,614
	<u>16,714</u>	<u>-</u>	<u>16,714</u>	<u>15,553</u>

4 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Training	120,111	-	120,111	111,103
Counselling	-	-	-	2,200
	<u>120,111</u>	<u>-</u>	<u>120,111</u>	<u>113,303</u>

5 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Fundraising costs	4,417	-	4,417	5,214
	<u>4,417</u>	<u>-</u>	<u>4,417</u>	<u>5,214</u>

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

6 Charitable activities expenditure by fund

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Counselling	136,391	1,544	137,935	111,163
Training	97,562	661	98,223	105,091
	<u>233,953</u>	<u>2,205</u>	<u>236,158</u>	<u>216,254</u>

7 Charitable activities expenditure by type

	Activities undertaken directly (see note 8) £	Support costs (see note 9) £	Total Funds 2019 £	Total Funds 2018 £
Counselling	43,056	94,879	137,935	111,163
Training	66,675	31,548	98,223	105,091
	<u>109,731</u>	<u>126,427</u>	<u>236,158</u>	<u>216,254</u>

8 Direct costs

	Counselling £	Training £	Total Funds 2019 £	Total Funds 2018 £
Premises costs	175		175	17,082
Training courses and CPD costs	-	6,419	6,419	9,329
Sundry counselling costs	940	-	940	596
Counsellor supervision	21,288	-	21,288	18,011
Wages and salaries	20,653	60,256	80,909	83,225
	<u>43,056</u>	<u>66,675</u>	<u>109,731</u>	<u>128,243</u>

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

9 Support costs

	Counselling	Training	Total Funds 2019	Total Funds 2018
	£	£	£	£
Rent and rates	1,562	669	2,231	9,458
Repairs and maintenance	2,237	959	3,196	-
Cleaning	2,628	1,126	3,754	-
Utilities	3,726	1,597	5,323	-
Printing, postage & stationery	2,272	974	3,246	2,395
Telephone	526	226	752	1,022
Insurance	2,241	961	3,202	2,918
Legal & professional fees	-	-	-	42
Sundry support costs	1,195	511	1,706	1,345
Household costs	402	173	576	726
IT	3,218	1,378	4,596	6,618
Wages & salaries	37,420	16,037	53,457	48,048
Other staff costs	356	153	509	1,527
Depreciation	14,548	6,235	20,783	2,522
Governance costs (note 10)	1,281	549	1,830	1,608
Loan interest	21,266	-	21,266	9,782
	<u>94,879</u>	<u>31,548</u>	<u>126,427</u>	<u>88,011</u>

Support costs relating to both Counselling and Training are allocated on the basis of floor space used by each activity.

10 Governance Costs

	Unrestricted Funds	Restricted Funds	Total Funds 2019	Total Funds 2018
	£	£	£	£
Independent examiner's fee:				
For current independent examination	950	-	950	886
For current year accounts preparation	880	-	880	722
Trustees meetings	-	-	-	-
	<u>1,830</u>	<u>-</u>	<u>1,830</u>	<u>1,608</u>

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

11 Net income/expenditure for the year

This is stated after charging:

	Total Funds 2019 £	Total Funds 2018 £
Operating lease payments	1,056	27,260
Depreciation	20,783	2,522
Independent examiner's fee	1,830	1,608

No Trustees received any remuneration or reimbursement for expenses during the year or the previous year.

Aggregate donations from Trustees, key management personnel and related parties were £nil (2018: £2,400).

12 Staff costs and numbers

The aggregate payroll costs were:

	Total Funds 2019 £	Total Funds 2018 £
Wages and salaries	130,032	128,193
Social security costs	2,484	1,550
Employer's pension contributions	2,030	-
	134,546	129,743

No employee received emoluments of more than £60,000.

The Trustees consider themselves, along with the General Manager and Heads of Counselling and Training to be the key management personnel of the charity. During the year, the General Manager and Heads of Counselling and Training were paid total benefits of £37,797 (2018: £56,045).

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	Total 2019 No.	Total 2018 No.
Management	1.4	1.0
Administration and operations	2.2	2.4
Trainers	0.8	1.6
	4.4	5.0

	Total 2019 No.	Total 2018 No.
The average number of employees during the year was as follows:		
Average headcount of employees	14	13

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

13 Taxation

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

14 Prior year fund comparatives

	Unrestricted funds		Restricted Funds	Total Funds
	General	Designated	Funds	2018
	£	£	£	£
Income from:				
Donations and legacies	93,965	-	79,418	173,383
Other trading activities	15,553	-	-	15,553
Investment income	152	-	-	152
Charitable activities	113,303	-	-	113,303
Total income	222,973	-	79,418	302,391
Expenditure on:				
Raising funds	5,214	-	-	5,214
Charitable activities	214,050	-	2,204	216,254
Total expenditure	219,264	-	2,204	221,468
Net expenditure	3,709	-	77,214	80,923
Transfers between funds	771	104,793	(105,564)	-
Total funds at 1 August 2017	22,933	327,030	69,938	419,901
Total funds at 31 July 2018	27,413	431,823	41,588	500,824

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

15 Tangible fixed assets

	Freehold Property	Leasehold Property	Plant & Machinery £	Fixtures & Fittings £	Total £
Cost					
At 1 August 2018	899,636	43,361	46,290	42,093	1,031,380
Additions	29,253	-	-	-	29,253
At 31 July 2019	<u>928,889</u>	<u>43,361</u>	<u>46,290</u>	<u>42,093</u>	<u>1,060,633</u>
Depreciation					
At 1 August 2018	-	7,763	40,300	42,092	90,155
Charge for the year	18,578	353	1,852	-	20,783
At 31 July 2019	<u>18,578</u>	<u>8,116</u>	<u>42,152</u>	<u>42,092</u>	<u>110,938</u>
Net book value					
At 31 July 2019	<u>910,311</u>	<u>35,245</u>	<u>4,138</u>	<u>1</u>	<u>949,695</u>
At 31 July 2018	<u>899,636</u>	<u>35,598</u>	<u>5,990</u>	<u>1</u>	<u>941,225</u>

The leasehold property, leasehold improvements and certain other assets are situated in Knowle, Bristol and are used by our partner charity, Filwood Hope (see note 18).

16 Debtors

	2019 £	2018 £
Other debtors	2,593	1,292
Tax recoverable	750	464
	<u>3,343</u>	<u>1,756</u>

17 Creditors: amounts falling due within one year

	2019 £	2018 £
Social security and other taxes	1,020	900
Accruals and deferred income	19,362	13,897
Other creditors	72,003	111,296
	<u>92,385</u>	<u>126,093</u>

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

18 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Other creditors	383,759	356,517
	<u>383,759</u>	<u>356,517</u>

Included within other creditors due within 1 year and after more than 1 year is a loan from Triodos Bank. The Bank holds a fixed and floating charge over the land at Elm Park, Filton, Bristol as security for repayment of the loan.

19 Movement in funds

	At 01 Aug 2018 £	Income £	Expenditure £	Transfers £	At 31 Jul 2019 £
Unrestricted funds					
General reserve	27,413	237,453	(238,370)	(22,726)	3,770
<i>Designated funds</i>					
St Andrews	431,823	-	-	22,726	454,549
	<u>459,236</u>	<u>237,453</u>	<u>(238,370)</u>	<u>-</u>	<u>458,319</u>
Restricted funds					
Filwood Hope	41,588	-	(2,205)	-	39,383
	<u>41,588</u>	<u>-</u>	<u>(2,205)</u>	<u>-</u>	<u>39,383</u>
Total funds	<u>500,824</u>	<u>237,453</u>	<u>(240,575)</u>	<u>-</u>	<u>497,702</u>

The Building fund consists of funds given for the purchase and development of new premises. The building was completed in January 2018

The Filwood Hope fund was set up during the year ended 30 June 1994 when the company received a gift of £60,000 from the Mervyn Scott-Lindsey Trust to enable the setting up of a drop-in centre in the Knowle West district of Bristol. The company purchased a leasehold property in Knowle West with a term of 123 years for the use of Filwood Hope Project. Substantial improvements were made to the property using funds designated for the purpose. The Filwood Hope Project now operates as a separate charity with its own trustees. The movements above represent the depreciation of the original investment in the property and the subsequent improvements. The fund has this year been reclassified as a restricted fund as the trustees consider this best represents the nature of the amounts held.

The contingency reserves are designated reserves to comply with the reserves policy.

The St Andrews fund represents the value of the property at Elm Park in Filton, less the balances on loans taken out for the purpose of acquiring the property and work required to bring it into use.

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

Movement in funds - prior year

	At 01 Aug 2017 £	Income £	Expenditure £	Transfers £	At 31 Jul 2018 £
Unrestricted funds					
General reserve	22,933	222,973	(219,264)	771	27,413
<i>Designated funds</i>					
St Andrews	297,030	-	-	134,793	431,823
Contingency reserves	30,000	-	-	(30,000)	-
	<u>349,963</u>	<u>222,973</u>	<u>(219,264)</u>	<u>105,564</u>	<u>459,236</u>
Restricted funds					
Building fund	26,146	79,418	-	(105,564)	-
Filwood Hope	43,792	-	(2,204)	-	41,588
	<u>69,938</u>	<u>79,418</u>	<u>(2,204)</u>	<u>(105,564)</u>	<u>41,588</u>
Total funds	<u>419,901</u>	<u>302,391</u>	<u>(221,468)</u>	<u>-</u>	<u>500,824</u>

20 Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total 2019 £	Total Funds 2018 £
Tangible fixed assets	1	910,311	39,383	949,695	941,225
Current assets	24,151	-	-	24,151	42,209
Creditors due within one year	(20,382)	(72,003)	-	(92,385)	(126,093)
Creditors due after more than one year	-	(383,759)	-	(383,759)	(356,517)
	<u>3,770</u>	<u>454,549</u>	<u>39,383</u>	<u>497,702</u>	<u>500,824</u>

Analysis of net assets between funds - prior year

	General Funds £	Designated Funds £	Restricted Funds £	Total 2018 £	Total Funds 2017 £
Tangible fixed assets	1	899,636	41,588	941,225	341,141
Current assets	42,209	-	-	42,209	85,890
Creditors due within one year	(14,797)	(111,296)	-	(126,093)	(7,130)
Creditors due after more than one year	-	(356,517)	-	(356,517)	-
	<u>27,413</u>	<u>431,823</u>	<u>41,588</u>	<u>500,824</u>	<u>419,901</u>

NETWORK COUNSELLING AND TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2019

- 21 At 31 July the company had aggregate annual commitments under non-cancellable operating leases as set out below:

	Land & buildings	
	2019	2018
	£	£
Operating leases which expire:		
Less than 1 year	1,056	1,056
Within 2 to 5 years	<u>2,112</u>	<u>3,168</u>

22 Company limited by guarantee

The company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited to £10 each.

23 Commitments

The charitable company had no commitments at the end of the year ended 31 July 2019. The charitable company had the following commitments at the end of the year ended 31 July 2018 for which no provision had been made in the accounts:

	2019	2018
	£	£
St Andrews development (completed January 2018, remaining amount to be paid on satisfactory completion of remedial work)	<u>-</u>	<u>28,281</u>