

Charity number: 1110768
Company number: 04980776

(England and Wales)

Relate Derby And Southern Derbyshire

Report of the Trustees and Unaudited Financial Statements

For the year ended 31 March 2023

Relate Derby And Southern Derbyshire
Contents Page
For the year ended 31 March 2023

Report of the Trustees	1 to 6
Independent Examiner's Report to the Trustees	7
Statement of Financial Activities	8
Statement of Financial Position	9
Notes to the Financial Statements	10 to 16

Relate Derby And Southern Derbyshire Report of the Trustees For the year ended 31 March 2023

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2019).

Chair's report

We are an important local provider of counselling services providing, counselling, information, and support to individuals, couples, children, and families across a regardless of age, ethnicity, cultural background, sexual orientation, gender, or disability. As a Federated Charity we work closely with National Relate in our mutual vision where healthy relationships are actively promoted as the heart of a thriving society.

In 2022/23 we very reluctantly set a further year of deficit budget. Our reserves enabled us to do this, and we saw no alternative, in the light of the cessation of some of the non-recurrent support and contracts, and our continued difficulty in retaining and recruiting staff. We were able to deliver an improved outcome versus our plan, but we still have to post a significant in year deficit. In reality the impact of the pandemic has had a longer, deeper, and more complex impact on our services and the environment in which we operate than we had envisaged. This year has proved to be as challenging. Despite our best efforts our retention difficulties remained which, despite the recruitment of new staff, has undermined our efforts to rebuild our capacity and availability for new clients. We are not alone in this with evidence that many small counselling non-for-profit organisations have been struggling to recover to their former level of operations and financial health post pandemic and are being further impacted by the cost-of-living crisis.

In 2022 we saw further changes to the senior leadership team which impacted the pace of change at which we could develop, but were delighted to appoint Lisa Stevenson as our new Managing Director in March 2022. In May 2022 we saw the retirement of our senior clinical supervisor, Peter Saddington who had worked with us for many years and his experience and support has been sorely missed. Despite our best efforts we have been unable to recruit to this important role as yet. In June 2022 we were able to hold our first Centre Day for several years, it was great to get together and reconnect after so long working remotely.

This year also saw the resignation of Olwyn Mills who had been a very active and committed Trustee and we were pleased to appoint two new Trustees in December 2022. Our Trustees are voluntary roles, and we were lucky to benefit from their experience and expertise.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are to: - Educate the public concerning the benefits of secure couple relationships, marriage and family life in or improve the emotional, sexual and spiritual well-being of individuals which is derived from committed relationship. - Provide counselling, a education, guidance and relief to adults and/or children in relation to any aspects of contemporary life or work which may prejudice their physical mental well-being or influence, either directly or indirectly, their present or future family or couple relationships. - Seek to enhance the good health mental and physical, of adults and children by increasing public awareness of the benefit of committed couple relationships, marriage, family life working to prevent poverty, hardship and distress caused by the breakdown of such relationships. - Advance citizenship and community development. - Relieve those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantages. - Promote research into all of the objectives and to make the results available to the public.

Statement on public benefit

We have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Relate Derby And Southern Derbyshire
Report of the Trustees Continued
For the year ended 31 March 2023

Volunteers

We remain incredibly grateful to our staff and volunteers, not just for the exceptional skills, qualifications, and experience that they bring, but also for their continued commitment to Relate's work. We particularly wish to thank our entire team for their support, positivity, and commitment as we returned to providing face-to-face counselling, giving the clients the choice of how they receive their counselling.

**Relate Derby And Southern Derbyshire
Report of the Trustees Continued
For the year ended 31 March 2023**

ACHIEVEMENTS AND PERFORMANCE

Significant activities

Throughout 2022/23 our priorities focused on recovery to pre-pandemic operating levels and developing our services, our priorities included: Rebuilding our workforce and reviewing our reward package for our staff to improve the retention and recruitment of staff. Improving access to our services by reducing waiting times and providing both remote and face-to-face counselling. Improving our financial reporting, and assuring resilience of our financial support. Improving our financial management and reducing our aged debtors. Continued development and progress with recruitment of counsellors including trainees. Reducing our overheads by improving the utilization of our physical estate. Ensuring we continued to operate and improve services covering the clinical supervisor and management structure vacancies. Staff returned to providing face to face services in the spring of 2022. We decided to continue to offer online counselling services as these have proved popular with some of our clients and ensure that our services are accessible to all. The recruitment of suitably skilled and qualified counsellors remained a challenge throughout the year, following our review and implementation of a new reward package in September 2022 we saw a small improvement in recruitment. Following the end of the pandemic we saw a reduction in support from agencies and this together with the impact of the cost-of-living crisis on our self-pay clients has meant we have not yet returned to pre-pandemic levels activity. The qualifications and experience to provide counselling across the range of services Relate provide means we have had to review our approach and are now looking to provide opportunities for qualified counsellors to work with us while they further enhance their skills and qualifications to the level required to work in our services. We reduced the overheads costs by approximately £21k per annum although the overall savings were reduced due to inflationary pressures especially in energy. We reviewed our progress against our priorities in January 2023 and set our priorities for 2023/24. We will develop a new strategy in 2024. The principal areas of charitable activity are relationship counselling for couples and individuals including same sex couples; family counselling; psychosexual therapy. We continued to provide counselling for IAPT (Improving Access to Psychological Therapies) with clients able to access remote counselling. Our Living Well with Autism work, funded by Derbyshire County Council, continued to provide a valuable service to people with an Autism Spectrum Condition and their families and our specialist staff were able to provide counselling at various locations across Derbyshire. This contract finished at the end of March 2023 as a new model of service was introduced. Relationship counselling remains a core service offered to clients with the Centre offering appointments between 9am and 9pm, Monday to Friday to 5pm on Fridays. Face to face counselling was reinstated in April 2022 and demand for this service has continued with fewer clients choosing remote counselling. The evening and weekend appointments help us meet the varying needs of our clients and offer flexibility. All clients have an assessment appointment and receive on-going counselling if they wish to continue. Waiting times are monitored and every effort is made to keep these as low as possible within the restraints that limited resources impose. The service still covers Derby City, Southern Derbyshire, and East Staffordshire. We reviewed the approach to children's work and agreed that it remains a valuable part of our service and we continue to deliver children and young people's counselling through self-pay or under direct contracts with local schools and commissioners. We have contracts with 3 schools. Additional training was provided to the administration team on safeguarding, and customer service with all staff completing mandatory data security training. We continue to work collaboratively with Relate National and other independent Relate Centres via regular briefings and meetings.

Relate Derby And Southern Derbyshire Report of the Trustees Continued For the year ended 31 March 2023

This was another year of positive collaboration, including partnership work around autism, adult and children's mental health, suicide prevention and voluntary sector collaboration. This coming year will be another challenge. We were able to agree a reduced deficit budget of -£16.5k but in the first half of the year some large unforeseen non-recurrent issues and continuing problems with recruitment and retention mean this is unlikely to be achieved.

FINANCIAL REVIEW

Significant events

This was another particularly challenging year with the end of some contracts reducing our income. We had no alternative but to set a deficit budget which our level of reserves allowed us to do. We performed better than planned, this was despite a shortfall in our management capacity and non-recurrent expenditure to prepare our top floor for rental in 2023/24. Income from our remaining contracts and self-pay services continued to rise due to vacancies in our workforce and our continued inability to recruit. In addition, we have seen a slowing down of demand for self-pay services reflecting the cost-of-living crisis. Our financial management and controls are continuing to improve. We have also improved our financial reporting and continue to develop improved information for the Board to inform decision making. We reduced our aged debtors significantly improving the position and this has been maintained in 2023/24. We also reduced our overheads by over £21,000 full year effect despite inflationary pressures particularly for energy. With the increased volume of remote counselling, and reduced activity we will lease the top floor of our building in 2023 further reduce our overhead costs. We have also been working to strengthen our marketing, communications, and PR, with a professional company having reviewed our website and will continue to update and develop the content. There remains a considerable opportunity to further improve marketing and communications. Total incoming resources decreased in the year from £328,356 to £297,111. Resources expended decreased year from £388,156 to 355,655 giving a net deficit of £58,455 compared to a deficit of £59,800 the previous year. The charity had funds carried forward at 31 March 2023 of £614,561 of which £Nil are restricted funds and £614,561 are unrestricted funds. Readily available cash has increased from £105,750 to £137,132 during the year.

Reserves

Reserves policy funds are set aside for restricted reserves donated for a specific purpose, project by project, and if the sums provided for are insufficient appropriate transfers will be made from unrestricted funds. Free reserves are required to cover: (a) The risk of redundancies, using statutory redundancy rates for the calculations; (b) A small sum for urgent replacement or hire of capital equipment. (c) Building up a year's reserve to cover rent and service charge should it be necessary to vacate the premises and find an alternative tenancy. (d) The need to provide funding from our reserves to cover the costs of continuing to trade for 2 months should we be unable to continue in business. (e) To enable the continuation of much needed services such as family counselling and others to those in need. The trustees estimate that taking all of the above into account free reserves of around £70,000 are needed. At 31 March 2023 liquid reserves amounted to £137,132 and are over the required level. In the current funding climate, the trustees feel they can only hold reserves at the required level.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 1 December 2003. The company was established under a Memorandum of Association which establishes the objects and powers of the charitable company and is governed under its Articles of Association.

Relate Derby And Southern Derbyshire

Report of the Trustees Continued

For the year ended 31 March 2023

Recruitment and appointment of trustees

The trustees of the charity are also the directors for the purposes of company law and under the company's articles are known as Members Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve for one year renewable annually without limit. Members have been appointed to the Board to reflect a range of skills and expertise and where possible the Board will endeavour to retain/develop these skills. In the event of skills being lost due to retirement or resignation individuals may be approached to offer themselves for election. The Centre is a member of the Relate Federation and is guided in its provision of services via a national service specifications. The Board regularly assesses compliance with the Charity Commission Good Governance Code and agrees actions to strengthen our governance. We review and revise our Risk Management register and approach, every six months. Organisational structure Relate Derby and Southern Derbyshire has an Executive Committee of seven members who meet seven or eight times a year and are responsible for the strategic direction. These meetings continued throughout the year. Responsibility for the day-to-day provision of services is delegated to the Managing Director. Following the resignation of the Chief Executive in February 2022, we reviewed our structure and appointed a Managing Director in March 2022. The new role of Managing Director was established as it was felt that this more accurately reflects the role required in the organisation. The role did not immediately replace the Operations Manager role while we assessed the additional management requirements. A Charity Services Manager was subsequently established, and an appointment was made in October 2023. The Managing Director represents the local Centre on a number of forums including suicide prevention, autism partnership board, children and adults' mental health forums and Relate Centre Management meetings. Induction and training of new trustees Trustees are given the opportunity to meet the Managing Director and other staff/Trustees, to visit the Centre and have the opportunity to understand the workings of Relate Derby and Southern Derbyshire as well as Relate nationally. New members are recruited through a formal external process, then invited to attend an initial meeting, and are provided with an induction pack before making the decision to join the Board.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	Relate Derby And Southern Derbyshire
Charity registration number	1110768
Company registration number	04980776
Principal address	3 Wentworth House Vernon Gate Derby England DE1 1UR

**Relate Derby And Southern Derbyshire
Report of the Trustees Continued
For the year ended 31 March 2023**

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mr K W Molyneux
Mrs L D Prescott
Ms S Sandhu
Mrs O Mills (Resigned on 01/09/2022)
(Resigned: 01 September 2022)
Ms E Haworth (appointed on 14/12/2022)
(Appointed: 14 December 2022)
Mr S M Bradder (appointed on 14/12/2022)
(Appointed: 14 December 2022)

Independent examiners

Hatocan Accountancy Services
131 Burley Lane
Quarndon
Derby
DE22 5JS

Approved by the Board of Trustees and signed on its behalf by

Mrs L D Prescott

12 December 2023

**Relate Derby And Southern Derbyshire
Independent Examiners Report to the Trustees
For the year ended 31 March 2023**

I report to the trustees on my examination of the accounts of the charitable company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity Trustees, who are also directors for the purposes of company law, 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 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 Charities Commission under section 145(5)(b) of the 2011 Act.

Independent examiners statement

Since the Charitable company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by virtue of my membership of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 that in any material respect:

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 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.

Hatocan Accountancy Services
131 Burley Lane
Quarndon
Derby
DE22 5JS

13 December 2023

Relate Derby And Southern Derbyshire
Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 March 2023

	Notes	Unrestricted funds £	2022 £
Income and endowments from:			
Donations and legacies	2	92,582	81,521
Charitable activities			
Schools		40,424	50,751
TMHD - IAPT		85,240	96,791
Other contract income		4,590	10,391
LWWA		63,887	70,311
Charitable activities		2,000	13,271
Other trading activities	3	8,387	5,291
Investments	4	1	1
Total		297,111	328,351
Expenditure on:			
Raising funds	5	(355,655)	(377,044)
Other expenditure		-	(11,112)
Total		(355,655)	(388,156)
Net expenditure		(58,544)	(59,800)
Reconciliation of funds			
Total funds brought forward		673,105	732,901
Total funds carried forward		614,561	673,101

Relate Derby And Southern Derbyshire
Statement of Financial Position
As at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	12	440,455	450,000
		440,455	450,000
Current assets			
Debtors	13	45,421	131,471
Cash at bank and in hand		137,132	105,751
		182,553	237,221
Creditors: amounts falling due within one year	14	(8,447)	(14,119)
Net current assets		174,106	223,101
Total assets less current liabilities		614,561	673,101
Net assets		614,561	673,101
The funds of the charity			
Unrestricted income funds	15	614,561	673,101
Total funds		614,561	673,101

For the year ended 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to companies.

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

The trustees acknowledge their responsibilities for complying with the requirements of the Act 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.

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

Mrs L D Prescott

12 December 2023

Relate Derby And Southern Derbyshire

Notes to the Financial Statements

For the year ended 31 March 2023

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006. Relate Derby And Southern Derbyshire meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Statement of cash flows

The Trustees have taken advantage of the exemption in SORP FRS 102 from including a cash flow statement in the financial statements on the grounds that the charitable company is small.

Funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Designated funds represent monies set aside by the trustees to cover unexpected cash flow deficits, or unexpected unavoidable costs in order to be able to discharge the Charity's objectives effectively. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income: Voluntary income received by way of grants is recognised in full when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when: - The donor specifies that the grant or donation must only be used in future accounting periods; or - The donor has imposed conditions which must be met before the charity had unconditional entitlement. In the case of contracts with customers, income is deferred to distribute the revenue over the life of the contract.

Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Taxation

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

Relate Derby And Southern Derbyshire
Notes to the Financial Statements Continued
For the year ended 31 March 2023

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Land and Buildings	2% Per annum on cost
Fixtures and Fittings	25% per annum on cost

Debtors

Short term debtors are measured at transaction price less an impairment.

Pensions

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Creditors

Short term creditors are measured at transaction price.

2. Income from donations and legacies

	2023	2022
	£	£
Unrestricted funds		
Donations received	-	194
Legacies received	92,582	81,331
	92,582	81,525

3. Income earned from other activities

	2023	2022
	£	£
Unrestricted funds		
Social lotteries	188	231
Room hire	8,199	5,061
	8,387	5,292

Relate Derby And Southern Derbyshire
Notes to the Financial Statements Continued
For the year ended 31 March 2023

4. Investment income

	2023	2022
	£	£
Unrestricted funds		
Bank interest receivable	1	:
	1	:

5. Expenditure on generating donations and legacies

	2023	2022
	£	£
Unrestricted funds		
Donations	105,496	135,371
Support costs	250,159	241,661
	355,655	377,041

6. Other resources expended

Related Party Disclosures

The Charity engaged in the following related party transactions during the year:

£4,641 was paid to the Relate Contracts Team for their services.

£16,673 was paid to Relate South Yorkshire for their services.

7. Analysis of support costs

	2023	2022
	£	£
Management	249,659	235,821
Governance costs	500	5,841
	250,159	241,661

Relate Derby And Southern Derbyshire
Notes to the Financial Statements Continued
For the year ended 31 March 2023

8. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2023	2022
	£	£
Staff pension contributions	1,174	2,541

9. Staff costs and emoluments

Total staff costs for the year ended 31 March 2023 were:

	2023	2022
	£	£
Salaries and wages	220,899	247,887
Social security costs	8,616	12,511
Pension costs	3,475	4,361
	232,990	264,759

Total key management personnel remuneration was £42,813 for the year.

	2023	2022
General	16	21
	16	25

No employees received emoluments in excess of £60,000.

10. Trustee remuneration and related party transactions

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

11. Comparative for the Statement of Financial Activities

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

Relate Derby And Southern Derbyshire
Notes to the Financial Statements Continued
For the year ended 31 March 2023

12. Tangible fixed assets

Cost or valuation	Land and Buildings £	Fixtures and Fittings £	Total £
At 01 April 2022	484,171	14,915	499,086
Additions	-	178	178
At 31 March 2023	484,171	15,093	499,264
Depreciation			
At 01 April 2022	34,167	14,915	49,082
Charge for year	9,683	44	9,727
At 31 March 2023	43,850	14,959	58,809
Net book values			
At 31 March 2023	440,321	134	440,455
At 31 March 2022	450,004	-	450,004

13. Debtors

	2023 £	2022 £
Amounts due within one year:		
Trade debtors	32,398	126,681
Prepayments and accrued income	13,023	4,781
	45,421	131,462

14. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	2,473	4,741
Other creditors	1,632	1,931
Accruals and deferred income	4,342	7,441
	8,447	14,113

Relate Derby And Southern Derbyshire
Notes to the Financial Statements Continued
For the year ended 31 March 2023

15. Movement in funds

Unrestricted Funds

	Balance at 01/04/2022 £	Incoming resources £	Outgoing resources £	Balance at 31/03/2023 £
General				
Unrestricted funds	673,105	297,111	(355,655)	614,561
	673,105	297,111	(355,655)	614,561

Unrestricted Funds - Previous year

	Balance at 01/04/2021 £	Incoming resources £	Outgoing resources £	Balance at 31/03/2022 £
General				
Unrestricted funds	732,905	328,356	(388,156)	673,105
	732,905	328,356	(388,156)	673,105

Purpose of unrestricted Funds

Unrestricted funds

Reserves policy Funds are set aside for restricted reserves donated for a specific purpose, project by project and if the sums provided for prove insufficient appropriate transfers will be made from unrestricted funds.

16. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets / (liabilities) £	Net Asset: £
Unrestricted funds			
General			
Unrestricted funds	440,455	174,106	614,561
	440,455	174,106	614,561

Relate Derby And Southern Derbyshire
Notes to the Financial Statements Continued
For the year ended 31 March 2023

Previous year

	Tangible fixed assets £	Net current assets / (liabilities) £	Net Asset: £
Unrestricted funds			
General			
Unrestricted funds	450,004	223,101	673,105
	450,004	223,101	673,105

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.