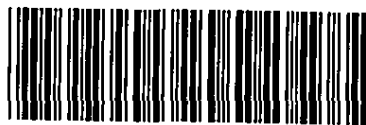


REGISTERED COMPANY NUMBER: 02796665
REGISTERED CHARITY NUMBER: 1018848

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2011
FOR
RELATE MK**

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RELATE MK

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2011**

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RELATE MK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02796665

Registered Charity number

1018848

Registered office

47 Aylesbury Street
Wolverton
Milton Keynes
MK12 5HX

Trustees

M Forbes

V Nagy

- resigned 30 11 10

J Bailey

K Laughton

B Farrow

- deceased 15 1 11

B Zeneh

R Chopra

J Ferguson

- appointed 28 10 10

Company Secretary

G Roberts

Independent Examiner

Keens Shay Keens Limited
Chartered Accountants
2nd Floor Exchange Building
16 St Cuthberts Street
Bedford
Bedfordshire
MK40 3JG

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a memorandum and articles and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the Charitable Company in the event of winding up. The total number of guarantees at 31st March 2011 was 6.

The word 'Limited' is omitted by license of the Secretary of State for Trade and Industry.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2011**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The maximum period of office for trustees is eight consecutive years. Potential trustees are interviewed by the Chair and one other member of the Board who consider the skills that the applicant would bring to the Charity. On appointment, new trustees receive an induction from the Board which involves an awareness of a trustee's responsibilities, the governing document, administrative procedures and the history and approach of the charity. A new trustee would receive a copy of the previous year's financial statements and a copy of the Charity Commission leaflet 'The Essential Trustee: what you need to know'.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have conducted their own review of the major risks to which the charity is exposed and recognises the external and internal factors threatening the activities of the charity.

Trustees consider the biggest external financial threat to be the unpredictability of policy changes by local authority commissioners of contracted services and the loss of local authority grants. This added to clients' inability to pay the true cost of services as a result of the recession adding to an increase in demand could leave the charity vulnerable. The charity remains flexible, responsive and engaged to new opportunities in order to limit these risks. Trustees have approved a 'cost of closure' plan which ensures that the charity has appropriate reserves.

Internal risks are considered minimal by the implementation of financial procedures that are periodically reviewed to ensure they are working efficiently.

OBJECTIVES AND ACTIVITIES

Principal Objects and activities

Relate Milton Keynes is a relationship support organisation. In planning their activities for the year, trustees kept in mind the Charity Commission's guidance on public benefit.

The impact of our services is to alleviate emotional suffering caused by relationship problems and to reduce the cost of relationship breakdowns in the unitary authority of Milton Keynes. In February 2010, the Relationship Foundation's paper 'Counting the cost of family failure' reported that the financial cost of relationship breakdown has risen to £41.7 billion a year in the UK. This means a cost to each taxpayer in the UK of £1,350 a year.

Our clients have reported that as a result of coming to Relate MK, they experience positive impacts in terms of attendance at work or school, fewer health problems, housing, increased engagement with their local communities, fewer separations, happier, safer relationships and more intimate love lives.

Relate MK support clients through delivering relationship counselling for adult individuals, couples, young people and families, psychosexual therapy and training course. We have also grown the provision of information and guidance about creating and maintaining stronger relationships through new media like Facebook and Twitter. The adult and family counselling services benefit any client who wishes to access Relate regardless of their ability to pay, their ethnicity, sexuality, (dis)ability, faith, gender or age.

The youth counselling is provided for pupils in schools in the city, it benefits young people who are experiencing difficulties as a result of parental separation or adjusting to new family arrangements or other relationships.

Relate welcomes all who live or work in the unitary authority of Milton Keynes and actively promotes services (and regularly reviews how this can be improved) to populations who are currently under-represented in client demographics.

We are an independent charity that is part of a Federation of Relate charities, receiving training and overall policy decisions from Relate Central Office. We have also a long-term tenancy of a charity shop as a means of fundraising.

RELATE MK

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2011

ACHIEVEMENT AND PERFORMANCE

The overall number of counselling hours delivered by Relate MK has increased by 14% to 5,961 hours This includes

- Family counselling = 3,293
- Adult relationship counselling = 2,136
- Sex Therapy = 253
- Young people's counselling = 89

School based work as a result of a one-off project funding accounted for the largest growth

The results of our outcomes survey for Relationship counselling clients revealed that
87% rated their experience of Relate as 'very good' or 'good'
88% would recommend Relate to others
90% achieved what they wanted through coming to Relate
50% maintained or strengthened their relationships
50% told us that we had 'saved' their couple relationship

FUTURE STRATEGY

By supporting children, young people, families, parents, individuals, couples and organisations both through counselling and training, Relate MK continues to take a holistic view of relationship support and is leading early intervention, targeted, community based, front-line service provider in the city

Vision Our vision is of a future in which healthy relationships form the heart of a thriving society

Mission Our mission is to develop and support healthy relationships by

- Helping couples families and individuals to make relationships work better
- Delivering inclusive, high-quality services that are relevant at every stage of life
- Promoting the publics and policymakers' understanding of relationships and what helps them to flourish

Overall Aims To provide the best relationship support in Milton Keynes

Strategic Aims These are as follows -

- 1 To deliver a prompt service
- 2 To deliver an affordable service
- 3 To ensure that services are accessible
- 4 To ensure that services are professional
- 5 To ensure that services are effective

Impact the impact of our services will be to alleviate emotional suffering and reduce the diverse costs of relationship breakdowns in Milton Keynes

RELATE MK

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST MARCH 2011**

RESERVES POLICY

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should generally be between 3 and 6 months of the resources expended. This amounts to a figure of £63,000 to £114,000 in general funds. At this level, the trustees feel that they would be able to continue the current activities of the charity in the likely event of a significant drop in funding.

It would obviously be necessary to consider how the funding would be replaced or activities developed to compensate. At present the general fund which amounts to £127,969 are comfortably above this band. The trustees may seek to correct this level in the forthcoming year.

ON BEHALF OF THE BOARD


J Bailey - Trustee

Date 1st June 2011

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
RELATE MK (COMPANY NUMBER 02796665)**

I report on the accounts for the year ended 31st March 2011 set out on pages six to thirteen

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under Section 43 of the 1993 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 43(7)(b) of the 1993 Act), and
- to state whether particular matters have come to my attention

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity 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 you as 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 statements 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 and 387 of the Companies Act 2006, and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have 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



Charles Little FCA
Keens Shay Keens Limited
Chartered Accountants
2nd Floor Exchange Building
16 St Cuthberts Street
Bedford
Bedfordshire
MK40 3JG

Date 4th June 2011

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2011**

		Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
	Notes				
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	80,487	-	80,487	91,841
Incoming resources from charitable activities					
Milton Keynes Council		65,320	-	65,320	65,320
Milton Keynes Primary Care Trust		18,751	-	18,751	18,751
Education and training		3,791	-	3,791	7,812
Milton Keynes Children's Fund		45,810	-	45,810	47,160
TAMHS project		71,317	-	71,317	-
Sure Start		14,085	-	14,085	25,565
RCO Recession Grant		1,906	-	1,906	3,000
Healthy Schools Budget					1,120
Activities for generating funds					
Shop income		23,443	-	23,443	24,196
Investment income and interest		213	-	213	174
Other incoming resources		324	-	324	233
Total incoming resources		325,447	-	325,447	285,172
RESOURCES EXPENDED					
Charitable activities					
Staff costs	6	227,333	-	227,333	210,748
Bank charges and interest		1,308	-	1,308	1,407
Depreciation		1,859	-	1,859	1,376
Communications		2,925	-	2,925	2,426
Computer expenses		6,165	-	6,165	5,068
Premises		18,469	-	18,469	11,718
Selection, training and supervision		34,832	-	34,832	28,960
Sundries		17,678	-	17,678	13,521
Governance costs	3	2,036	-	2,036	3,829
Total resources expended		312,605	-	312,605	279,053
NET INCOMING RESOURCES		12,842	-	12,842	6,119
RECONCILIATION OF FUNDS					
Total funds brought forward		209,114	-	209,114	202,995
TOTAL FUNDS CARRIED FORWARD		221,956	-	221,956	209,114

RELATE MK (REGISTERED NUMBER 02796665)**BALANCE SHEET
AT 31ST MARCH 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
FIXED ASSETS					
Tangible assets	7	39,642	-	39,642	38,187
Investments	8	<u>3</u>	<u>-</u>	<u>3</u>	<u>-</u>
		39,645	-	39,645	38,187
CURRENT ASSETS					
Stocks		50	-	50	50
Prepayments and accrued income		24,578	-	24,578	47,205
Cash at bank and in hand		<u>187,728</u>	<u>-</u>	<u>187,728</u>	<u>130,983</u>
		212,356	-	212,356	178,238
CREDITORS					
Amounts falling due within one year	9	<u>(30,045)</u>	<u>-</u>	<u>(30,045)</u>	<u>(7,311)</u>
NET CURRENT ASSETS		<u>182,311</u>	<u>-</u>	<u>182,311</u>	<u>170,927</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>221,956</u>	<u>-</u>	<u>221,956</u>	<u>209,114</u>
NET ASSETS		<u>221,956</u>	<u>-</u>	<u>221,956</u>	<u>209,114</u>
FUNDS	10				
Unrestricted funds				<u>221,956</u>	<u>209,114</u>
TOTAL FUNDS				<u>221,956</u>	<u>209,114</u>

The notes form part of these financial statements

BALANCE SHEET - CONTINUED
AT 31ST MARCH 2011

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2011

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2011 in accordance with Section 476 of the Companies Act 2006

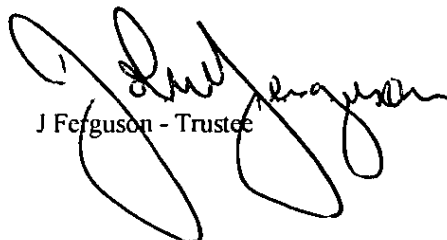
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 1 March 2011 and were signed on its behalf by


J Bailey - Trustee


J Ferguson - Trustee

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2011**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

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

- Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them
- Governance costs include those costs associated with the meeting of constitutional and statutory requirements of the charity and include the examinations fees and costs linked to the strategic management of the charity

Allocation and apportionment of costs

Costs that can be attributed to a specific activity are directly allocated within the Statement of Financial Activities. Any that cannot be are allocated to the general fund

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Land and buildings	- Straight line over 50 years
Plant and machinery etc	- Straight line over 4 years

Fixed assets are stated at cost less accumulated depreciation. Minor additions of less than £100 are not capitalised

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes

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

Pension costs

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011

2. VOLUNTARY INCOME

	2011	2010
	£	£
Donations from clients	80,487	91,841
	<u>80,487</u>	<u>91,841</u>

The charity receives funding based on the level of appointments Any client can then choose to donate additional funds contributing towards the charitable activity

3. GOVERNANCE COSTS

	2011	2010
	£	£
Accountancy	1,386	3,179
Independent examiners remuneration	650	650
	<u>2,036</u>	<u>3,829</u>

4. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2011	2010
	£	£
Depreciation - owned assets	<u>1,859</u>	<u>1,376</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2011 nor for the year ended 31st March 2010

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31st March 2011 nor for the year ended 31st March 2010

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011

6. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	207,308	192,148
Social security costs	14,229	13,271
Other pension costs	<u>5,796</u>	<u>5,329</u>
	<u>227,333</u>	<u>210,748</u>

The average monthly number of employees during the year was as follows

	2011	2010
Administrative	<u>9</u>	<u>9</u>

7. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1st April 2010	50,000	32,181	82,181
Additions	<u>-</u>	<u>3,314</u>	<u>3,314</u>
At 31st March 2011	<u>50,000</u>	<u>35,495</u>	<u>85,495</u>
DEPRECIATION			
At 1st April 2010	14,000	29,994	43,994
Charge for year	<u>1,000</u>	<u>859</u>	<u>1,859</u>
At 31st March 2011	<u>15,000</u>	<u>30,853</u>	<u>45,853</u>
NET BOOK VALUE			
At 31st March 2011	<u>35,000</u>	<u>4,642</u>	<u>39,642</u>
At 31st March 2010	<u>36,000</u>	<u>2,187</u>	<u>38,187</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1st April 2010	2
Additions	<u>1</u>
	<u>3</u>
 NET BOOK VALUE	
At 31st March 2011	<u><u>3</u></u>
At 31st March 2010	<u><u>2</u></u>

The investment in the subsidiary has been included at cost as the Trustees consider that the cost of obtaining a valuation outweighs the benefit to the users of the accounts

MK Community Shop (Shenley) Limited
Country of incorporation England
Nature of business Sales of goods donated by the public

Class of shares	%
Ordinary	holding 75 00

	2011 £	2010 £
Aggregate capital and reserves	5,467	5 275
Profit for the year	<u>192</u>	<u>-</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Other creditors	<u>30,045</u>	<u>7,311</u>
	<u><u>30,045</u></u>	<u><u>7 311</u></u>

RELATE MK

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST MARCH 2011

10. MOVEMENT IN FUNDS

	At 1.4.10 £	Net movement in funds £	Transfers between funds £	At 31.3.11 £
Unrestricted funds				
General fund	137,377	31,473	(40,881)	127,969
Designated property fund	36,000	(1,000)	-	35,000
Family counselling fund	-	(12,086)	12,086	-
Designated premises fund	33,212	-	-	33,212
Feasibility study	2,356	-	-	2,356
Designated domestic violence	169	-	-	169
Couple counselling	-	(30,444)	30,444	-
MK Children's Fund	-	315	(315)	-
Sure Start	-	(4,597)	4,597	-
Tamhs project	-	29,181	(5,931)	23,250
	<u>209,114</u>	<u>12,842</u>	<u>-</u>	<u>221,956</u>
TOTAL FUNDS	<u>209,114</u>	<u>12,842</u>	<u>-</u>	<u>221,956</u>

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	194,235	(162,762)	31,473
MK Children's Fund	45,810	(45,495)	315
Sure Start	14,085	(18,682)	(4,597)
Tamhs project	71,317	(42,136)	29,181
Designated property fund	-	(1,000)	(1,000)
Family counselling fund	-	(12,086)	(12,086)
Couple counselling	-	(30,444)	(30,444)
	<u>325,447</u>	<u>(312,605)</u>	<u>12,842</u>
TOTAL FUNDS	<u>325,447</u>	<u>(312,605)</u>	<u>12,842</u>

MK Children's Fund –	The purpose is to deliver Relate services to families in need in venues around Milton Keynes
Sure Start –	The purpose is to deliver Relate services to families in need in venues around Milton Keynes
Tamhs project -	The purpose of the Tamhs project is to promote emotional well being in primary and secondary schools in Milton Keynes
Designated property fund -	This amount is set aside to cover the on going depreciation of the land and buildings
Family counselling fund –	The purpose is to support the delivery of family counselling
Couple counselling -	The purpose is to support the delivery of couple counselling

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2011**

11. RELATED PARTY DISCLOSURES

The company received a covenant of £18,043 (2010 - £21,158) from its subsidiary MK Community Shop (Shenley) Limited. The balance at the year end included in prepayments and accrued income with MK Community Shop (Shenley) Limited was £18,043 (2010 - £21,158).

12. CAPITAL

The charity has no share capital. The liability of members is limited by guarantee and does not exceed £1 per member.

13. ULTIMATE CONTROLLING PARTY

The company is under the control of its members and as such there is no single controlling party.