Company no. 04754643
Charity no. 1109904
England and Wales

Gloucestershire Counselling Service

Annual Report and Unaudited Accounts

31 August 2019

Gloucestershire Counselling Service

Reference and administrative details

For the year ended 31 August 2019

Status	The organisation is a charitable company limited by guarantee, incorporated on 6 May 2003 and registered as a charity on 7 June 2005.	
Governing document	The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.	
Company number	04754643	
Charity number	1109904	
Registered office and operational address	Alma House 52-53 High Street Stroud Gloucestershire GL5 1AP	
Trustees	Julia Jones	Chair (appointed 4 October 2018)
	Emma Payne	Vice Chair
	Nigel Brabbins	Treasurer
	Lynn Emslie	
	Nicola Hermine De longh	
	Katherine Rooksby	
	Erin Sawyer	(resigned 4 October 2018)
	Svetlin Vrabtchev	
	John Whitwell	(resigned 28 March 2019)
Company secretary	Ellen Edwards	
Chief executive	Emma Griffiths	Chief Executive Officer
	Amanda Cook	Head of Counselling
	Ellen Edwards	Head of Finance
	Mike Keating	Head of Training
	Denise Kilgannon	Head of Counselling (contracts)
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling, Kent ME19 4JQ	Santander UK plc Bridle Road, Bootle Merseyside L30 4GB
	Scottish Widows 67 Morrison Street Edinburgh EH3 8YJ	

Independent examiner	Godfrey Wilson Ltd Chartered accountants and statutory auditors 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD

Gloucestershire Counselling Service

Report of the Chief Executive Office

For the year ended 31 August 2019

THE YEAR IN REVIEW 2018 - 2019

This has been an important year in the 40+ years of GCS lifetime. We have experienced unprecedented demand for our services across both counselling and training as well as achieving a step change in our fundraising activity, meaning we have supported more clients through subsidised counselling than ever before. Alongside this, the management team have been busy improving internal systems and procedures to ensure we are delivering efficient, but effectively monitored services that are compliant with external regulation. We have improved efficiency in our financial accounting, creating more timely reports and identifying areas for attention more quickly to target for future fundraising.

Many thanks to the Senior Leadership Team (SLT) who have continued to work proactively to take the service forward. Also huge thanks to the counsellors and supervisors who have gone the extra mile in supporting our growth in counselling services. Finally, thank you to the Training Team delivering our high-quality courses, CPD events and stepping in to deliver additional programs where demand has required it.

We said goodbye to our Chair of Trustees, John Whitwell this year. John had been involved with GCS for many years and has provided stability during the past 5 years of transition and development with the change of CEO. We are thankful for all that John has given to GCS and were pleased he was able to offer continuity in our governance whilst the new Chair of Trustees, Julia Jones, took up post. We continue to work on the development of the Board and its focus.

GCS as an organisation has been accredited with the British Association for Counselling and Psychotherapy (BACP) since October 2003. In 2017/18 we declared our intention of supporting counselling and supervising staff to also achieve full professional accreditation individually. We have spent the last 12 months promoting and supporting this aim and working with the team to achieve it. I am proud to say that we have reached the point of almost 100% professional accreditation status within GCS and this is a standard that we will maintain and champion moving forwards.

This is an important marker for GCS as it demonstrates our commitment to high quality counselling provision within the County. It also means that we have achieved the status of being the only British Association of Counselling and Psychotherapy (BACP) Accredited Counselling Service who only employ fully professionally accredited counsellors. We view this professional accreditation to be particularly important within the counselling profession as a benchmark of quality and good governance, as counselling services and the counselling profession are often perceived as being an under regulated activity. GCS can confidently state that we are experts in our field who will always champion best practice. Indeed, this achievement was warmly commended by the BACP, who at a recent visit at the end of the financial year, were extremely complimentary about the quality and range of services that we offer and felt that we are providing a benchmark for services nationally.

"Thank you for your warm welcome on Monday and for introducing Jo Holmes and me to the staff and work of GCS. Walking through the building and the quick 'hellos' ahead of our meeting gave us the sense of a friendly and vibrant staff team with a strong sense of purpose.

In our respective roles within BACP's Policy and Public Affairs team, we work to represent the interests of the counselling profession, sharing examples of best practice to a range of audiences, including policy-makers, commissioners, BACP members and the wider public. There's much that we've taken from our visit to GCS that will support and inform this work.

Please pass on our thanks to all your colleagues and we look forward to further building relationships with the service and collaborating with you on our respective Children and Young People Framework and older people projects in ways that promote and support your work". Jeremy Bacon BACP.

LOOKING AHEAD

The SLT and the Board of Trustees have spent time developing our Business Plan and Strategy for the coming 3 years. We implement this plan from Sept 2019 and the key focus for the coming year is to increase our fundraising income, develop our impact reporting further and improve the marketing of both training and counselling services, to ensure we reach all sections of the community.

Some highlights of focus are:

- Further development of our offer of 'Professional Services' to other agencies through Reflective/Clinical Supervision and Professional Training, harnessing the wealth of expertise we have within our staff group whilst also supporting the development of other organisations, ultimately helping to up-skill the sector;
- Developing tools internally to better measure our impact and to tell these stories in an engaging manner;
- Developing our Fundraising Strategy and increasing income generated through fundraising; and
- Developing our Marketing Strategy to ensure and expand our reach across the communities of Gloucestershire as per our charitable aims.

We have said goodbye to some staff throughout the year including one or two who have been involved with GCS for many years. We wish them well in their retirement and thank them for all they have contributed over the years. We have also welcomed new staff on board across both Counselling and Training Services.

Without our staff, we would not be able to deliver our services and without the dedication and commitment to high quality and professionalism, we would not achieve the standards we do. Huge thanks and gratitude for all that the staff, trainees and volunteers give to GCS, contributing to our success.

Emma Griffiths
Chief Executive Officer
29 November 2019

The trustees present their report and the unaudited financial statements for the year ended 31 August 2019.

Reference and administrative information set out on page 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Gloucestershire Counselling Service was first registered as a charity on 14 June 1984. The charity became a charitable company limited by guarantee, incorporated on 6 May 2003 and the company was registered as a charity on 5 June 2005. It was originally established under a Memorandum of Association, which established its objects and powers and was governed by its Articles of Association. New Articles of Association were adopted in 2018 (which incorporate the company's objects and powers) in order to bring them up to date with current legislation and to provide a more robust governance framework.

The recruitment of new trustees is by personal recommendation, through advertising vacancies and networking with other organisations. The existing trustees appoint new trustees and also appoint one of their number as Chair, Vice Chair and Treasurer.

New trustees are provided with a copy of the Gloucestershire Counselling Service's key documents, the Articles of Association, a copy of the latest annual report and accounts and minutes of recent trustee meetings. The induction includes:

- an explanation of the purposes and activities of GCS;
- the trusts and procedures which govern the trustees' actions;
- the organisation of GCS; and
- the source of funding and the nature of resources.

The trustees are responsible for the strategic direction of the charity delegating the majority of the day to day decision making to the Chief Executive and senior management team.

GCS Adult Counselling Service is a British Association for Counselling and Psychotherapy (BACP) Accredited Service which requires the charity to adhere to high levels of professional standards and ethics. GCS is also a Member Institute of the British Psychoanalytic Council (BPC), who accredit the Diploma in Counselling and offer professional accreditation to qualified counsellors.

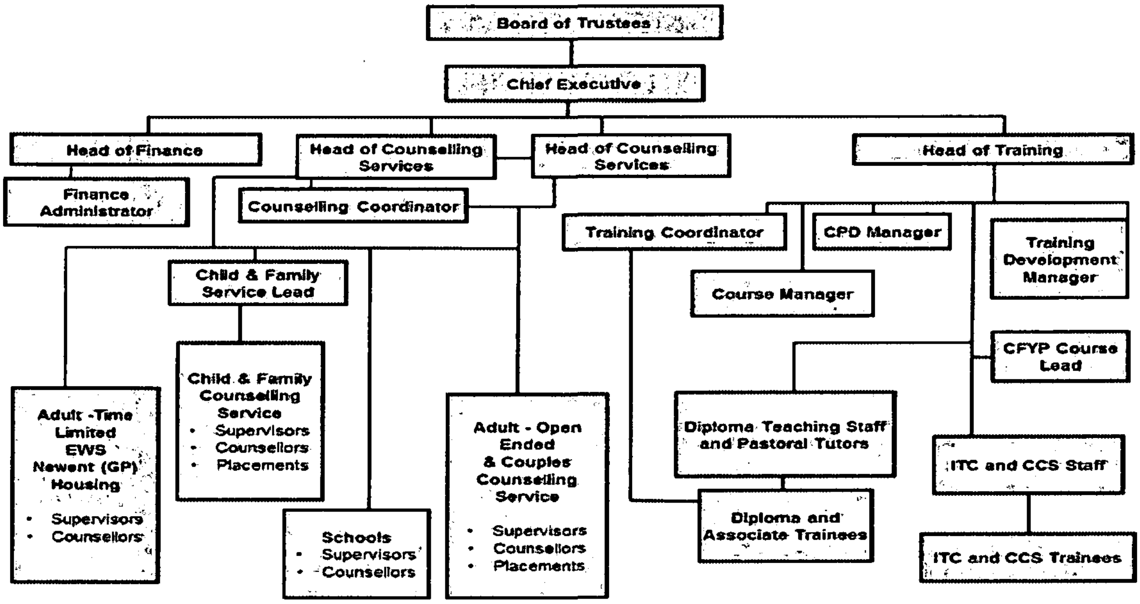
The trustee board review the pay rates of the organisation on an annual basis benchmarking against similar sized charitable organisations and organisations that undertake similar activities.

Gloucestershire Counselling Service

Report of the trustees

For the year ended 31 August 2019

Organisational structure:



OBJECTIVES AND ACTIVITES

Our objectives:

1) To provide high quality counselling at affordable cost to the people of Gloucestershire and its surrounds; and
2) To provide professional training in counselling to the people of Gloucestershire and its surrounds so that there might be a greater resource of skilled counsellors available to those in need of psychological support.

The strategy for achieving our objectives is contained within our three-year business plan and service delivery plan which is delivered by the senior management team in consultation with the Board.

We will know that we have been successful in achieving our objectives by the continued high level of use of our counselling and training services, maintaining the standards required for service accreditation and through monitoring client feedback.

GCS delivers public benefit through the provision of affordable counselling services and professional counselling training to the people of Gloucestershire. In shaping our activities, the trustees have regard to the Charity Commission's guidance on public benefit. In order to ensure public benefit and to achieve our mission and objectives we deliver the following core activities:

Gloucestershire Counselling Service

Report of the trustees

For the year ended 31 August 2019

Our counselling services

Adult Counselling	Confidential counselling for individual adults experiencing personal, emotional or psychological difficulties. We offer both Open Ended Counselling and Time Limited Services (up to 12 sessions of solution focused counselling).
Couples Counselling	For couples experiencing difficulties in their relationships.
Child & Family Counselling	For families experiencing difficulties resulting from, for example, separation, remarriage, stepfamilies, sexual abuse and trauma or the need to support a troubled child or young person in the family. We offer systemic family therapy as well as individual counselling.
School Counselling	We contract with a number of local schools to provide high quality counselling on site for individual pupils by experienced counsellors with extensive experience of counselling young people in a school setting.
Stroud District Council Homelessness Prevention	Contract GCS to provide counselling for residents of Stroud District to provide up to six weeks of funded counselling to young people and couples at risk of homelessness.
Other Professional Services	We have service level agreements with a range of agencies such as Infobuzz to provide Clinical Supervision to their practitioners/therapists and Reflective Supervision to staff such as school pastoral teams, youth workers and mentors.

Our training services

Introductory and Certificate courses in Listening & Counselling	A 10 week and one-year course respectively, delivered in Stroud and Cheltenham throughout the year, soon to be in Gloucester too. In addition to this, we offer tailor-made programmes delivered in the workplace to school support staff, health care workers or managers looking to improve their listening skills.
Diploma in Psychodynamic Counselling	A three-year, comprehensive training programme for psychodynamic counsellors working with individual adult clients, taught in Stroud by a highly qualified and experienced teaching team.
Associate Programme	A post-diploma course offering further teaching in professional standards of counselling practice and counselling placement opportunity to achieve accreditation hours for counsellors seeking professional registration with organisations such as the BACP and BPC.
CPD Workshops	One day workshops and seminars for qualified and trainee therapists or those in related professions which cover topics of interest and learning for practitioners.
CPD Courses and reading groups	Short courses and reading/study groups of specialist interest to practitioners, providing detailed content on topics or the opportunity to cross-train. Courses include supervision and couples' therapy. Groups include Work Discussion of adolescent and child work, Freud and couples' therapy.
Tavistock & Portman Partnership	We have run the one-year PG Certificate in Child, Adolescent and Family Mental Well-Being (D24) since 2017. In 2019 we welcome the first cohort of the MSc in Psychological Therapies with Children, Young People and Families (M34). Both these courses are accredited by the University of Essex, and the MSc is also accredited by the BPC.

PLANS FOR FUTURE DEVELOPMENTS

We will continue with the work already underway to develop the organisation's ability to meet growing demand in a sustainable way, through ensuring that we are fit for purpose and progressing with developments to both counselling and training services.

The trustees fully support the priorities outlined below and have been instrumental in their development.

Organisation-wide priorities:

- To continue to develop our organisation, further nurturing development, a positive culture and professionalism;
- To ensure maximum take up of counselling and training services;
- To deliver on the budget and achieve forecast and surplus, increasing our commerciality whilst remaining true to our charitable mission;
- To develop and implement a fundraising and marketing strategy in order to penetrate new and existing markets; and
- To improve organisational efficiencies and processes and improve data collection.

Counselling service development priorities:

- To broaden our reach and engagement of the adult service across the country;
- To build on our Employee Wellbeing Service offer, integrating Listening Skills and Mental Health Awareness workshops as well as the income base;
- To review and rebrand the Couples Counselling Service, tying in training to build our capacity;
- To develop the clarity of the Child & Family Counselling Service offer and to support the development of placements;
- To continue to market and grow the number of Schools contracts we have; and
- To develop the provision of professional services to external agencies such as reflective supervision, clinical supervision and facilitated group work.

Training service development priorities:

- To continue to offer a portfolio of CPD events and short courses that are informed by sector and organisational needs, in turn securing adequate bookings and planned income generation;
- Structure the Diploma so that up to 16 trainees can be accepted onto the Diploma each year;
- To develop the ITC, Associate, Couples and Supervision training curricula to ensure they meet market demand and organisational need;
- To develop further our partnership with the Tavistock and Portman NHS Trust; and
- To develop Alumni for BPC MI Status and registration.

ACHIEVEMENTS AND PERFORMANCE

Counselling

As a result of our intervention, we see clients reducing their demand on other statutory services, a reduction in the use of medication and an improvement in their self-esteem and relationships. This can often lead to increased employability and engagement in the workplace, as well as improved family and personal relationships. Our clients report that counselling has been life changing.

During 2018/19 we carried out:

- 6,317 Adult Individual Counselling sessions;
- 2,570 School Counselling sessions;
- 386 Child and Family Counselling sessions;
- 337 Time Limited Counselling sessions;
- 322 EWS Counselling sessions;
- 186 spot purchase/SLA funded Counselling sessions; and
- 159 Couples Counselling sessions.

Due to improvements in our data collection and analysis, we do not have like for like data to make a year on year comparison. One of our objectives for the coming year is to continue to improve data collection and we anticipate having comparative data moving forward.

Client feedback:
"The service has been genuinely life changing and although there is still work to do, I at least feel that there is someone there to listen and to help. I feel very supported and the service has been good at getting to the heart of the problems for me".

Training
In line with our core aims to ensure a professionally trained counselling and mental health workforce for the county of Gloucestershire.

During 2018/19 we trained the following number of students/trainees:

- Introduction to Counselling Skills: 26
- Certificate in Counselling Skills: 35
- Diploma in Counselling Adults and Clinical Year Placements: 27
- Associate Year: 6
- Post Graduate Certificate in Child, Adolescent and Family Mental Wellbeing D24: 13
- Continuous Professional Development (CPD) events: 270

CPD events that we offered during 2018- 2019:

- Psychodynamics of Addiction;
- Adult Attachment;
- Jung;
- Developing Resilience;
- Eating Disorders;
- Understanding and working with ASD in Counselling;
- Adolescence;
- Groups;
- Working with the Body;
- Private therapy group;
- Freud reading group;
- Couples reading group;
- D24 work discussion group; and
- Couples counselling course.

As a result of our partnership with the Tavistock & Portman Clinic (T&P), we were able to run an event with the internationally acclaimed Margot Waddell. This event attracted attendees from across the country and has benefited us in growing our profile as a high-quality provider of relevant mental health training to the communities of Gloucestershire and beyond.

Significant achievements in 2018/19:

- We have maintained our goal to have 'no waiting list'. Despite increased demand we have minimised the time it takes from registration to the allocation of a dedicated counsellor;
- Our Training Open Day in March 2018 was highly successful. It enabled us to showcase our training provision and to highlight our unique partnership with the Tavistock & Portman clinic;
- Our CEO, Emma Griffiths, achieved the accolade of being nominated for the West Women Awards; recognition as one of the top 100 Influential Women in the West of England. She was shortlisted and invited to attend the prestigious awards ceremony in Bristol accompanied by the Chair of Trustees. This public exposure and recognition for our work at GCS has helped to increase the positive profile and public recognition of the organisation;
- Engagement in Statutory and Voluntary Sector Stakeholder events is again raising our profile and increasing recognition for our services;
- A pay review for counselling and training staff has been completed. This is supporting our focus on the professionalisation and accreditation of our workforce;
- Our partnership with the Tavistock & Portman (T&P) clinic is now well established and we launched the Masters level training in September 2019;
- We became a Member Institute of the British Psychoanalytic Council (BPC);
- We achieved BACP Reaccreditation of the Counselling Service for a further 5 years;
- We have continued to develop our internal processes and systems, increasing transparency and timeliness of reporting, enabling SLT to more closely monitor and manage service performance;
- We have strengthened our Board and Governance and maintain a good working relationship between the Board/CEO/SLT enabling us to work together to develop our future road map; and
- Our CEO completed her Post Graduate Certificate in Leading Business and the Head of Finance began Leadership training through Quolux on the LEAD programme.

Fundraising activities

Our aim has been to increase income derived from fundraising this year. This aim has been successfully delivered with revenues from grants and donations making up 13% of our total income at £86,853 in 2018 - 2019 as compared to 6% at £37,869 in the previous financial year. This was from a variety of sources, with a significant contribution from the NHS to fund counselling for victims of sexual abuse. We are not overly reliant on any one funding stream thereby reducing the risk to the organisation when a particular funding stream ends.

It is key to our future success that we continue to build on this achievement going forwards and our aim is to secure 10-15% of our annual income through grants and donations. The more our services are recognised for being professionally delivered and managed, the higher profile we will achieve in the locality. In turn this positive picture will assist in our continuing search for new income generation from fundraising.

External factors

"The Social Landscape Report 2017 found that 80% of charity services said demand for their services had risen and 85% of charities expect demand for services to increase in the next year. More than a quarter of charities have in the past 12 months either reduced staff numbers (29%) or reduced frontline services delivered (28%)". (Charities Aid Foundation 'Social Landscape Report 2017).

It is within this difficult national context that we operate. Locally too, the availability of funding has been decreasing for the voluntary sector, both from statutory authorities and because of increased competition for resources from trusts and grants. The impact of prolonged austerity and the growth in the recognition of the prevalence of mental health issues in society is having a profound impact upon our services. On the one hand public awareness and willingness to seek help is increasing, which is a good thing. On the other hand, this increased demand for heavily subsidised counselling places stress on our limited resources.

Our future sustainability depends upon us maintaining a forensic eye on all our expenditure while seeking to broaden our range of income generation streams. Consequently, we increasingly seek to partner with other agencies within the voluntary sector as this enables us to access new funding for service delivery, whilst minimising the organisational 'strain' that a larger, non-shared contract might impose on other aspects of the organisation. We strive to maintain our model of counselling, coupled with high quality delivery and partnering helps us to achieve this.

Another benefit of partnerships is that they strengthen our position within the county through our ability to network with like-minded organisations while giving us a voice in influencing policy formation within the voluntary and statutory sectors. In turn this helps us to generate supportive and collegiate professional relationships across the range of agencies with whom we share common goals. One clear outcome is that this interconnectivity is enabling us to play a role in informing strategy and future developments within mental health provision within the county.

FINANCIAL REVIEW

2018/19 was a hugely successful year for GCS. We saw a 27% increase in the number of adult individual counselling sessions than in the previous year. We also raised more funds through grant funding than in previous years and overall this had a very positive effect on our financial position. Following a period of heavy investment and subsequent deficit we have been able to generate a surplus which will build our reserves back up to their former level.

GCS receives its income from:

- Clients accessing counselling;
- Trainees on the counselling training courses and programmes;
- GP contract;
- EWS agreements with local companies for counselling their employees;
- Counselling for children, families and young people;
- School Counselling contracts; and
- Other Professional Services – SLA's to provide services to other agencies.

GCS' income is based on payment for services provided and we seek funding from external sources such as trust funds to ensure we can continue to offer an affordable and accessible service to individual clients. We continue to raise awareness with the local Primary Healthcare Trust and the Clinical Commissioning Group (CCG) on this and the fact that we receive no statutory support to meet this growing demand. It is encouraging to be a part of the CCG funded pilot for work with victims of Sexual Violence in partnership with other voluntary sector agencies and this may provide a model for future funded projects.

GCS' income comes from a variety of sources with the majority of the income being self-generated. The risk to the organisation of losing a particular income stream is therefore minimised.

GCS is continually looking for new opportunities to further achieve its organisational objectives with any new projects being fully costed and risk assessed to ensure that thy pose minimal risk to the organisation.

Key risks (and mitigation)
Governance and oversight

- Governance arrangements are not fit for purpose – adverse impact on oversight and accountability;
  (Structure of governance is defined and met with regular planned reviews)
- Skills / experience mix of Trustees does not reflect business need; and
  (Agenda item on strategy away day and board meetings, skills review completed)
- Communication between Trustees and Executive is poor, impacting on effectiveness of governance.
  (CEO/Chair/Vice Chair/Treasurer and Trustees actively engaged in regular work with Executive including specific working groups)

Finance and resources

- Insufficient resources to deliver priorities;
  (Resources required identified through Business Plan and Budget)
- Unforeseen financial pressures have adverse impact on our capacity to deliver core services;
  (Financial exposure to risk under review and mitigating actions being taken (PESTLE))
- Demand for services exceeds capacity to deliver; and
  (Counselling delivery model under review to maximise effectiveness of limited resources and recruitment)
- Expenditure exceeds income for sustained period – with adverse impact on reserves.
  (Monthly monitoring of financial performance and standing item on boards agenda.)

Service delivery

- Quality of service delivery is poor, with adverse reputational impact;
  (Quality framework and reporting arrangements are in place)
- Staff turnover has adverse impact on quality and capacity of delivery to clients; and
  (Building on employee engagement including performance management, pay review and staff feeling valued. Business Plan addresses sustainability and succession planning)
- Inability to respond effectively to market need.
  (Marketing and Fundraising Strategy in place and aligned to business plan. Reviewed through Board Meetings)

GCS invests its reserves in savings accounts with good interest rates. No account holds more than £85,000 ensuring that savings are covered by the financial services compensation scheme (FSCS).

GCS offers it employees a pension scheme with NEST. Our staff team is wholly part time therefore take up of the pension scheme is relatively low.

Reserves policy
Alma House is a Grade II listed building with a commercial full repair lease, with an obligation to carry out ongoing maintenance and repairs. Major roof repair works were carried out in the year ending 2016/17. With this in mind, we have designated £14,900 to cover any future maintenance and building repair costs.

It is considered prudent to hold a reserve of three to six months core operating costs. This is to enable the charity to continue to operate in the event of an interruption to its income streams and also to wind down its operations in a controlled manner should this become necessary. An amount has also been included to cover redundancy costs in the event of a winding up. The unrestricted funds at the end of 2018/19 were £242,904 which is between 3 and 6 months of our core operating costs for 2018/19. £14,900 are designated as detailed above leaving £228,004 general funds. We have achieved therefore, paying back into our reserves monies that had been invested in developing the organisation, in previous deficit years.

GCS's aim is to increase unrestricted funds through planned surpluses in future years which will enable us to continue to develop our workforce and services.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

INDEPENDENT EXAMINERS

Godfrey Wilson Limited were re-appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 29 November 2019 and signed on their behalf by

Julia Jones
Chair of the Trustees

Independent examiners' report

To the trustees of

Gloucestershire Counselling Service

I report to the trustees on my examination of the accounts of Gloucestershire Counselling Service (the charitable company) for the year ended 31 August 2019, which are set out on pages 16 to 32.

Responsibilities and basis of report
As the trustees of the charitable 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 charitable 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 the charitable company'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
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 because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:
(1) accounting records were not kept in respect of the charitable 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.

Date: 29 November 2019
Rob Wilson FCA
Member of the ICAEW
For and on behalf of:
Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Gloucestershire Counselling Service

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 August 2019

	Note	Restricted £	Unrestricted £	**2019 Total £**	2018 Total £
Income from:					
Donations	3	67,639	19,214	**86,853**	37,869
Charitable activities:					
Counselling	4	-	414,897	**414,897**	376,519
Training		-	162,945	**162,945**	170,267
Other trading activities	5	-	3,982	**3,982**	1,620
Investments		-	961	**961**	268
Other income		-	492	**492**	2,485
Total income		67,639	602,491	**670,130**	589,028
Expenditure on:					
Raising funds		-	6,782	**6,782**	4,296
Charitable activities:					
Counselling		49,729	351,144	**400,873**	398,396
Training		-	152,480	**152,480**	171,928
Total expenditure	7	49,729	510,406	**560,135**	574,620
Net income / (expenditure)		17,910	92,085	**109,995**	14,408
Transfers between funds		(4,500)	4,500	**-**	-
Net movement in funds	8	13,410	96,585	**109,995**	14,408
Funds at the start of the year		15,131	146,319	**161,450**	147,042
Funds at the end of the year		28,541	242,904	**271,445**	161,450

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed above and in note 16 to the financial statements.

Gloucestershire Counselling Service

Balance sheet

As at 31 August 2019

	Note	£	2019 £	2018 £
Fixed assets				
Tangible fixed assets	11		**18,364**	11,492
Current assets				
Debtors	12	**41,093**		43,423
Cash at bank and in hand		**268,845**		175,990
		309,938		219,413
Creditors: amounts due within 1 year	13	**(56,857)**		(69,455)
Net current assets			**253,081**	149,958
Net assets	15		**271,445**	161,450
Funds	16			
Restricted funds			**28,541**	15,131
Unrestricted funds:				
Designated funds			**14,900**	14,900
General funds			**228,004**	131,419
Total funds			**271,445**	161,450

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

(i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

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

Approved by the trustees on 29 November 2019 and signed on their behalf by:

J A Jones

Julia Jones
Chair of the Trustees

Gloucestershire Counselling Service

Statement of cash flows

For the year ended 31 August 2019

	2019 £	2018 £
Cash used in operating activities:		
Net movement in funds	**109,995**	14,408
Adjustments for:		
Depreciation charges	**4,546**	3,270
Investment income	**(961)**	(268)
Decrease / (increase) in debtors	**2,330**	24,031
Increase / (decrease) in creditors	**(12,598)**	(33,131)
Net cash provided by / (used in) operating activities	**103,312**	8,310
Cash flows from investing activities:		
Dividends, interest and rents from investments	**961**	268
Purchase of tangible fixed assets	**(11,418)**	(10,989)
Net cash provided by / (used in) investing activities	**(10,457)**	(10,721)
Increase / (decrease) in cash and cash equivalents in the year	**92,855**	(2,411)
Cash and cash equivalents at the beginning of the year	**175,990**	178,401
Cash and cash equivalents at the end of the year	**268,845**	175,990

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Gloucestershire Counselling Service 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.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of provision of counselling or training services is deferred until criteria for income recognition are met.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

f) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is based on a proportion of direct costs:

Raising funds	1.0%
Counselling	72.0%
Training	27.0%

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Plant and machinery	3 years straight line
Office equipment	3 years straight line

Items of equipment are capitalised where the purchase price exceeds £100.

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

k) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

m) Pension costs
The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the statement of financial activities. The total employer pension contributions payable in the year were £2,829 (2018: £1,768).

n) Operating leases
Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

o) Financial instruments
The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

p) Accounting estimates and key judgements
In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation
As described in note 1h to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Depreciation rates in operation during the current and prior period were as follows:

Plant and machinery	3 years straight line
Office equipment	3 years straight line

2. Prior period comparatives

	Restricted £	Unrestricted £	2018 Total £
Income from:			
Donations	28,982	8,887	**37,869**
Charitable activities:			
Counselling	16,431	360,088	**376,519**
Training	-	170,267	**170,267**
Other trading activities	-	1,620	**1,620**
Investments	-	268	**268**
Other: insurance claim	-	2,485	**2,485**
Total income	45,413	543,615	**589,028**
Expenditure on:			
Raising funds	736	3,560	**4,296**
Charitable activities:			
Counselling	29,214	369,182	**398,396**
Training	-	171,928	**171,928**
Total expenditure	29,950	544,670	**574,620**
Net income / (expenditure) and net movement in funds	15,463	(1,055)	**14,408**

3. Donations

	Restricted £	Unrestricted £	2019 Total £
General donations	-	9,490	**9,490**
Grant income	67,639	9,724	**77,363**
	67,639	19,214	**86,853**

Prior period comparative

	Restricted £	Unrestricted £	2018 Total £
General donations	-	4,142	4,142
Grant income	28,982	4,745	33,727
	28,982	8,887	37,869

4. Charitable activities: counselling services

	Restricted £	Unrestricted £	**2019 Total £**
Counselling fees	-	414,897	**414,897**
Grant income	-	-	**-**
	-	414,897	**414,897**

Prior period comparative

	Restricted £	Unrestricted £	2018 Total £
Counselling fees	-	360,088	360,088
Grant income	16,431	-	16,431
	16,431	360,088	376,519

5. Other trading activities

	Restricted £	Unrestricted £	**2019 Total £**	2018 Total £
Rent	-	3,982	**3,982**	1,620

All income from other trading activities in the prior period was unrestricted.

6. Government grants

The charitable company receives government grants, defined as funding from NHS Gloucestershire Clinical Commissioning Group (CCG), to fund charitable activities. The total value of such grants in the period ending 31 August 2019 was £31,667 (2018: £15,000). There are no unfulfilled conditions or contingencies attaching to these grants.

7. Total expenditure

	Raising funds £	Counselling £	Training £	Support and governance £	**2019 Total £**
Staff costs	-	265,650	101,424	65,424	**432,498**
Room hire, rent and service	-	-	-	52,943	**52,943**
Travel and subsistence	-	-	-	2,404	**2,404**
Stationery, postage and telephone	-	-	-	10,649	**10,649**
General administration	-	-	-	15,636	**15,636**
Subscriptions	-	-	-	4,110	**4,110**
Insurance	-	-	-	6,620	**6,620**
IT costs	-	-	-	6,557	**6,557**
Advertising	4,511	-	-	-	**4,511**
Repairs and maintenance	-	-	-	11,710	**11,710**
Professional fees	-	-	-	1,116	**1,116**
Accountancy	-	-	-	4,213	**4,213**
Bank charges	-	-	-	1,627	**1,627**
Depreciation	-	-	-	4,546	**4,546**
Bad debts	-	995	-	-	**995**
Sub-total	4,511	266,645	101,424	187,555	**560,135**
Allocation of support and governance costs	2,271	134,228	51,056	(187,555)	**-**
Total expenditure	6,782	400,873	152,480	-	**560,135**

Total governance costs were £2,076 (2018: £2,159)

7. Total expenditure (continued)
Prior year comparative

	Raising funds £	Counselling £	Training £	Support and governance £	2018 Total £
Staff costs	-	280,488	121,243	65,093	466,824
Course costs	-	-	-	-	-
HR and recruitment	-	-	-	118	118
Room hire, rent and service	-	-	-	49,593	49,593
Travel and subsistence	-	-	-	2,809	2,809
Stationery, postage and telephone	-	-	-	7,909	7,909
General administration	-	-	-	11,005	11,005
Subscriptions	-	-	-	693	693
Insurance	-	-	-	5,490	5,490
IT costs	-	-	-	7,563	7,563
Fundraising costs	180	-	-	-	180
Advertising	2,850	-	-	-	2,850
Repairs and maintenance	-	-	-	9,978	9,978
Professional fees	-	-	-	1,338	1,338
Accountancy	-	-	-	2,639	2,639
Bank charges	-	-	-	1,900	1,900
Depreciation	-	-	-	3,270	3,270
Bad debts	-	461	-	-	461
Sub-total	3,030	280,949	121,243	169,398	574,620
Allocation of support and governance costs	1,266	117,447	50,685	(169,398)	-
Total expenditure	4,296	398,396	171,928	-	574,620

8. Net movement in funds

This is stated after charging / crediting:

	2019 £	2018 £
Depreciation	**4,546**	3,270
Trustees' remuneration	**Nil**	Nil
Trustees' reimbursed expenses	**216**	329
Accountants' remuneration:		
▪ Independent examination	**1,860**	1,830

Trustees' reimbursed expenses represent payments to 2 trustees (2018: 3) for travel expenses.

9. Staff costs and numbers

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	**417,593**	451,157
Social security costs	**12,076**	13,899
Employer's pension	**2,829**	1,768
Total emoluments paid to staff were:	**432,498**	466,824

No employee earned more than £60,000 during the year.

The key management personnel of the charity are considered to be the trustees and senior leadership team which includes the Chief Executive, Head of Finance, two Heads of Counselling and Head of Training. The total employee benefits including employer national insurance contributions paid to the key management personnel in the year ending 31 August 2019 was £110,918 (2018: £107,445).

Staff numbers are as follows:

	2019 No.	2018 No.
Average head count	**64.0**	64.0
Full time equivalent	**12.5**	16.3

10. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 September 2018	8,980	19,477	**28,457**
Additions in year	1,759	9,659	**11,418**
Disposals	-	-	**-**
At 31 August 2019	10,739	29,136	**39,875**
Depreciation			
At 1 September 2018	6,188	10,777	**16,965**
Charge for the year	1,566	2,980	**4,546**
On disposal	-	-	**-**
At 31 August 2019	7,754	13,757	**21,511**
Net book value			
At 31 August 2019	**2,985**	**15,379**	**18,364**
At 31 August 2018	2,792	8,700	11,492

12. Debtors

	2019 £	2018 £
Trade debtors	**16,042**	25,065
Other debtors	**6,273**	13,413
Prepayments	**18,778**	4,945
	41,093	43,423

13. Creditors: amounts due within 1 year

	2019 £	2018 £
Trade creditors	**14,064**	8,596
Deferred income*	**24,275**	38,481
Accruals	**12,990**	18,033
PAYE and NI	**5,528**	4,141
Other creditors	**-**	204
	56,857	69,455

* Deferred income consists of fees received in advance of the provision of counselling services or training courses. These are deferred until future periods and released when the session or course is delivered.

	2019 £	2018 £
Balance at the start of the year	**38,481**	46,538
Amounts released to income	**(38,481)**	(46,538)
Amounts deferred in the year	**24,275**	38,481
Balance at the end of the year	**24,275**	38,481

14. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	Property		Equipment	
	2019	2018	**2019**	2018
	£	£	**£**	£
Due within 1 year	**19,800**	19,800	**1,580**	1,580
Due within 2 - 5 years	**79,200**	79,200	**1,580**	3,162
Due in more than 5 years	**-**	19,800	**-**	-
	99,000	118,800	**3,160**	4,742

15. Analysis of net assets between funds

	Restricted funds	Designated funds	Unrestricted funds	**Total funds**
	£	£	£	**£**
Fixed assets	-	-	18,364	**18,364**
Net current assets	28,541	14,900	209,640	**253,081**
Net assets at 31 August 2019	**28,541**	**14,900**	**228,004**	**271,445**

Prior period comparatives

	Restricted funds	Designated funds	Unrestricted funds	**Total funds**
	£	£	£	**£**
Fixed assets	-	-	11,492	**11,492**
Net current assets	15,131	14,900	119,927	**149,958**
Net assets at 31 August 2018	**15,131**	**14,900**	**131,419**	**161,450**

16. Movements in funds

	At 1 September 2018 £	Income £	Expenditure £	Transfers between funds £	At 31 August 2019 £
Restricted funds:					
St James' Place	844	16,431	(17,275)	-	-
Awards for All	2,500	9,926	(1,021)	(2,500)	**8,905**
NHS - CCG	3,456	31,667	(17,868)	-	**17,255**
Summerfield Trust	457	-	(457)	-	-
Openwork Foundation	4,960	-	(4,304)	-	**656**
Bid writer support	2,914	-	(2,914)	-	-
Gloucestershire Community Foundation	-	4,869	(3,144)	-	**1,725**
MacFarlane Walker Trust	-	250	(250)	-	-
Rowlands Trust	-	2,000	-	(2,000)	-
The Sedbury Trust	-	2,496	(2,496)	-	-
Total restricted funds	15,131	67,639	(49,729)	(4,500)	**28,541**
Unrestricted funds:					
Designated funds					
Building maintenance and repairs reserve	14,900	-	-	-	**14,900**
Total designated funds	14,900	-	-	-	**14,900**
General funds	131,419	602,491	(510,406)	4,500	**228,004**
Total unrestricted funds	146,319	602,491	(510,406)	4,500	**242,904**
Total funds	**161,450**	**670,130**	**(560,135)**	**-**	**271,445**

Transfers between funds

Transfers made from the Awards for All and Summerfield Trust funds to general funds represent the release of restricted donations used to purchase fixed assets during the year. The fixed assets purchased are held for general purposes of the charitable company.

Purposes of restricted funds

St James' Place - grant funding to subsidise child and family counselling and fund the cost of a Child and Family Services Development Manager.

Awards for All - funding the development of the IT platform, website, e-commerce and branding.

NHS CCG - funding to provide counselling sessions for young people under the age of 21 or men of any age who have been victims of sexual abuse, sexual assault or sexual violence.

Summerfield Trust - funding to develop the training room resources.

16. Movements in funds (continued)

Openwork Foundation - funding to provide counselling sessions for young people of all genders who have been victims of sexual abuse, sexual assault or sexual violence.

Bid writer support - funding from a variety of local businesses to fund the cost of a self-employed bid writer.

Gloucestershire Community Foundation - funding to upgrade the training environment.

MacFarlane Walker Trust - fully funded counselling sessions for a client in exceptional need.

Rowlands Trust - funding to upgrade the training environment.

The Sedbury Trust - fully funded counselling sessions for two clients in exceptional need.

Purposes of designated funds

Building maintenance and repairs reserve - to cover future maintenance and building repairs at Alma House.

Prior period comparatives

	At 1 September 2017 £	Income £	Expenditure £	Transfers between funds £	**At 31 August 2018 £**
Restricted funds:					
St James' Place	-	17,431	(16,587)	-	**844**
Awards for All	10,000	-	-	(7,500)	**2,500**
NHS - CCG	-	15,000	(11,544)	-	**3,456**
Summerfield Trust	-	3,332	(43)	(2,832)	**457**
Openwork Foundation	-	6,000	(1,040)	-	**4,960**
Bid writer support	-	3,650	(736)	-	**2,914**
Total restricted funds	10,000	45,413	(29,950)	(10,332)	**15,131**
Unrestricted funds:					
Designated funds					
Building maintenance and repairs reserve	17,738	-	(2,838)	-	**14,900**
Total designated funds	17,738	-	(2,838)	-	**14,900**
General funds	119,304	543,615	(541,832)	10,332	**131,419**
Total unrestricted funds	137,042	543,615	(544,670)	10,332	**146,319**
Total funds	**147,042**	**589,028**	**(574,620)**	**-**	**161,450**

17. Related party transactions

There were no related party transactions in the current or prior reporting period.

18. Financial instruments

	2019	2018
	£	£
Financial assets measured at amortised cost	**303,591**	214,468
Financial liabilities measured at amortised cost	**(27,054)**	(26,630)

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, accruals and other creditors.