

**THE PASTORAL FOUNDATION**  
**A Company limited by guarantee with charitable status**  
**and not having a Share Capital**

**(Charity Registration No. SC008875)**

**(Company Registration No. SC122762)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

WEDNESDAY



SCT \*S6GUS5ZM\* 11/10/2017 #19  
COMPANIES HOUSE

**James Anderson & Co**  
**Chartered Accountants**  
**Pentland Estate**  
**STRAITON**  
**Edinburgh**  
**EH20 9QH**

***Report of the Directors  
For the year ended 31 March 2017***

The directors present their annual directors' report together with the financial statements of the Charity for the year ending 31 March 2017.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

**Chair's Report**

It's a great honour to introduce the 2016/17 Annual Review for the PF Counselling Service. It explains our services, our finance and - so important to us and our clients - our people. I hope you find it interesting.

Last year, I reported that as a Board we were very worried about our rising waiting list as demand for our services rose. We were very concerned when the waiting list for access to our counselling services rose to over 500 at the end of 2016, with an average wait of around 6 months to start counselling. Very reluctantly, we decided that we had to close our service to new clients for a while so we could reduce it to more manageable levels. We are all delighted when we were able to re-open our waiting list to new clients in June, and the average time clients have to wait for counselling services is now around 8 weeks.

During the year we have been able to develop our counselling services even further. Firstly, the charity regulator approved the transfer of substantial funds to PF from a charity being wound up for the specific purpose of providing counselling for young people in Edinburgh. Secondly, we have started a pilot project with the Dean and Cauvin Trust for young people moving from care to independent living in the community.

During the year, we have been able to provide over 10,500 counselling sessions for 754 clients. None of this would have been possible without the support of so many people. 172 people have been involved in the delivery of our service. 18 were paid for their services – 4 employed staff, 13 clinical supervisors and 1 associate director for 1 day a week. The other 154 people are all volunteers – 110 counsellors, 35 receptionists, 1 book-keeper, and 8 trustees. I would like to thank all of them on behalf of the Board and in particular thanks those volunteers who very generously give up their time to support and help our clients.

Dick Manson  
Chair

***Report of the Directors (Continued)*****Our Objectives and Activities**

The charitable objectives of the charity are:

1. to relieve persons in need of emotional, social, psychological or spiritual support by the provision of a professional counselling service;
2. to promote and provide education and training for volunteer counsellors with a view to raising the standards of counselling for the benefit of the community and, in particular, of those who are recipients of counselling.

The vision that shapes our annual activities remains the determination to be a counselling service that is recognised as

- the most effective and professionally run voluntary counselling agency in Scotland
- attracting the best and most committed volunteer counsellors and offering them the best professional support
- enabling the widest possible range of clients to access life-changing talking therapies regardless of their ability to pay.

Our work impacts directly on the resilience of the communities in which our clients live. We offer support that can transform someone from being a burden to friends and family, and a drain on society, into a full contributor to the life of Scotland. Our counselling service can and has enabled clients to re-engage with full employment, to re-establish happy personal lives, and to re-enter the community life from which they may have been distanced.

The activities undertaken to achieve the charity's objectives fall into three main areas:

**Providing Professional Counselling to Edinburgh's Citizens**

- Running a counselling service (known as the PF Counselling Service) for those from across Edinburgh and the Lothians who are in need of counselling and psychotherapy. This includes providing and maintaining suitable premises, and providing appropriate administration to support everyone involved with an efficient use of resources.
- Contracting with freelance professionals to provide practice supervision for our counsellors, in line with the standards laid down by COSCA, the professional accrediting body in Scotland.
- Fundraising to support all our activities.

**Supporting Volunteers and Volunteering**

- Providing opportunities for counsellors and psychotherapists who are qualified to Diploma level or above to use and develop their skills by volunteering in a professional counselling practice.
- Offering and promoting a range of continuing professional development training opportunities relevant to the work of the counsellors, which are sometimes open to counsellors from other agencies.
- Training and supporting non-counselling volunteers to provide vital receptionist and other services on the premises.

**Engaging with and Supporting the Counselling Profession**

- Providing and supporting counselling practice placements to students at an appropriate stage of a professional training in counselling and psychotherapy.
- Working with other organisations and agencies, such as COSCA and Edinburgh Voluntary Sector Counselling Services Forum, to promote and support the work of counselling.

***Report of the Directors (Continued)*****Achievements and Performance**

During the year over 110 counsellors provided 10,629 counselling sessions to 754 clients. The total number of possible sessions offered by our counsellors increased to 12,741.

The demand for our counselling continued very strongly, with new requests for appointments significantly exceeding our capacity once again. By the end of 2016 our list of clients waiting for counselling appointments reached over 500, with some new clients having to wait six months to begin regular counselling. Although we had put in place a number of measures to manage the waiting list and communicate to those waiting, in January we made the difficult decision to close to new requests. We reopened the list in June, having reduced the waiting time to around eight weeks.

We were delighted to receive a substantial donation of £135,730 from the winding up of a Scottish charity. Following approval by OSCR, this was restricted to the provision of counselling for young people in Edinburgh.

We initiated a pilot project with the Dean & Cauvin Trust to develop the provision of counselling to young people making the transition from being looked after and accommodated to living independently in the community.

Investment in new information technology hardware, and a bespoke business management software system, has ensured a high level of data security and operational efficiency.

172 people were directly involved in the delivery of the service throughout the year. 154 of these were volunteers, comprising 110 counsellors, 35 receptionists, 1 book-keeper, and 8 board members. 18 were paid for their services: 4 employed staff, 13 professional supervisors, and an Associate Director working one day a week and paid on a self-employed 'consultancy' basis.

**Financial Review**

Overall income for this financial year was up on 2015/16, most significantly because of the funds for a young people's service, but also due to generous donations from other sources. We have once again made an operating surplus which has ensured our current stability and the future development of the charity.

The income from Client Donations and Gift Aid was very slightly higher (1.8%) compared with the previous year. This was due in part to the increased number of sessions attended, but also reflects a small increase in the average weekly amount donated by clients.

PF continued to benefit from recognition by NHS Lothian of the contribution we make to mental health services in the region, with £40,000 being made available through a Service Level Agreement. Other donations were significantly boosted by an anonymous family Trust donating over £7,000.

Planned maintenance work on our premises meant that operating costs rose slightly, but good cost control meant that overheads generally remained stable.

On 31 March 2017 our total net assets stood at a substantial £566,607. However, it is important to remember that £292,424 of this represents fixed assets, including the building in which we work, and £135,730 is the fund donated for our new service. Over £428,000 is therefore not available to fund our normal activities. Other Restricted and Designated Funds limit our use of reserves and the balance of £43,036 in the General Reserve will be used for the further development of our charitable activities.

As required by law, we introduced a staff pension scheme on 1 August 2016.

***Report of the Directors (Continued)*****Value of Volunteers**

The PF is very fortunate in being supported by a large number of volunteers providing counselling, reception, book-keeping and maintenance services. They contributed over 15,500 hours of voluntary work to the PF in 2016/17 and we would not have been able to provide the level of service to our clients without their assistance.

**Reserves policy and going concern**

The Charity holds a designated building maintenance fund with a balance of £20,000 as it recognises the need to hold reserves for the maintenance, repair and future refurbishment of the property which we own.

It also recognises that reserves are needed to bridge the gap between expenditure and the receipt of income. The directors consider that the minimum level of liquid reserves maintained should be equivalent to six months of forecasted operating overhead expenditure due to the longer term commitment to clients that is integral to the therapeutic process. This equates to approximately £70,000. This year the directors agreed that a specific fund should be set up for this purpose and to designate £27,367 to this fund.

Although our building is an asset of the organisation and thus, technically, part of the value of our reserves, it is not an asset that can be readily realised to fund continuing operations. The designated Fixed Asset Fund (£292,424) identifies the amount of total reserves tied up in this way. The Board considers that it should disregard the value of the Fixed Asset Fund when assessing the liquid reserves policy.

In addition the charity holds restricted funds which can only be used for purposes specified by the donor and further details are provided in note 13.

The directors are of the view that the charity is a going concern.

**Plans for future periods**

The PF is still unique within the Edinburgh area in being the only counselling agency offering generic counselling services to any member of the public over the age of 18, from any area of the Lothians, without requiring a minimum financial contribution. There is therefore always a degree of uncertainty regarding our income each year, and so we will continue to fundraise within the community, and to seek partnerships with local organisations who may help us do this.

There is continuing pressure on the PF to provide its service and, despite closing our waiting list for some months, we expect the numbers applying and waiting to rise throughout the year.

We launched a PF Young Adults service in 2017 using the funds received at the start of the year, and will continue to develop this. This provides counselling to young adults between 18 and 25, and expands our service by utilising our premises for the first time on a Saturday. Clients receive up to 24 weeks of counselling and the service's counsellors are paid a session rate.

Our commitment to CPD for our volunteers will continue, with a series of training workshops which balance the use of the skills and experience within the PF with fresh ideas and stimuli from other sources. Our aim with the CPD programme is for it to be cost-neutral.

**Report of the Directors (Continued)****Reference and Administrative Details****Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The directors and officers serving during the year and since the year end were as follows:

Directors	Dick Manson (Chair) Janet Buncle Beatrice Dundonald Judith Fewell Matthew Haggis Alison Hampton Chris Hewitt Allan Sturrock Dan Kelpie (appointed 21 April 2017)
Secretary	Matthew Haggis
Treasurer	Allan Sturrock
Director of Counselling	Alison Hampton
Bankers	Bank of Scotland 8 Morningside Road Edinburgh EH10 4DD
Independent Examiner	Allison Neill James Anderson & Co Chartered Accountants (ICAS) Pentland Estate Straiton Edinburgh EH20 9QH
Registered Office:	8 Balcarres Street Edinburgh EH10 5JB
Charity Number:	SC008875
Company Number:	SC122762

**Report of the Directors (Continued)****Structure, Governance and Management***Governing Document*

The Pastoral Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association dated 27 September 2006. It is registered as a charity with OSCR.

*Appointment of Directors*

Directors are appointed at the Company's Annual General meeting. Directors can be co-opted during the year and these new appointments stand for re-election at the following Annual General meeting.

The directors are recruited to maintain a balance of skills within the Board. Most appointments come from parties who already know the work of The Pastoral Foundation and who are able to commit time to the charity's objectives. In 2016/17 we benefitted from the continued commitment of our existing directors and there were no resignations from or appointments to the Board. Allan Sturrock indicated his intention to resign in 2017, and work was begun to recruit a new Treasurer.

*Director induction and training*

Training publications are made available to directors to assist them to carry out their duties and understand their responsibilities. New directors are given a copy of the Memorandum and Articles of the Company, Companies House literature, as well as a copy of the Guidance for Charity Trustees published by OSCR. Opportunities are sought throughout the year for directors to attend appropriate training and information events.

*Organisation*

The Board of Directors appoint the Director of Counselling, who is responsible for the day-to-day running of the charity including supervision of staff. A sub-committee of the Board constitutes a Clinical Practice Group, chaired by a director with significant clinical experience, which meets regularly to consider clinical risk and practice and which makes recommendations to the Board as appropriate. The directors meet on at least six occasions each year to examine strategic, financial and operational matters, and are available to assist the Director of Counselling on more complex issues.

*Pay policy for senior staff*

The directors consider the Board of Directors, who are the Charity's trustees, and the Director of Counselling comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. Directors are not remunerated for their services as directors. Details of directors' expenses are disclosed in note 9 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in line with inflation, taking into account affordability and any changes in duties and responsibilities.

*Risk management*

The directors give consideration to the major business and operational risks which the charity faces and maintain a Risk Matrix register to enable regular review and reporting of risk factors by the Director of Counselling so that necessary steps can be taken to lessen these risks. This Risk Matrix was thoroughly examined and revised in 2016.

The directors consider that the three most important risks facing the Company are –

- Loss of funding, especially a major funder  
*We continue to make progress away from reliance on any one funder.*
- Loss of key staff  
*Networking and local knowledge are used to mitigate this risk.*
- Data Protection breach  
*We are investing in new secure IT systems and conduct regular data protection reviews.*

**Report of the Directors (Continued)****Trustees' responsibilities in relation to the financial statements**

The charity trustees (who are also the directors of The Pastoral Foundation Ltd. for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing the 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

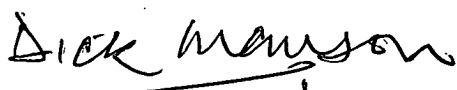
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement as to disclosure to our Independent Examiner**

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the Independent Examiner in connection with preparing their report, of which the company's Independent Examiner is unaware, and
- the trustees, having made enquiries of fellow directors and company's Independent Examiner that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant information and to establish that the Independent Examiner is aware of that information.

By order of the Board of Directors



Dick Manson (Chair)

30 August 2017



**Independent Examiner's Report to the Trustees of The Pastoral Foundation**

I report on the accounts of the charity for the year ended 31 March 2017 which are set out on pages 9 to 17.

**Respective responsibilities of trustees and examiner**

The Charity's trustees (directors) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (amended). The Charity trustees consider that the audit requirement of Regulation 10(1) (a) – (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

**Basis of Independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (amended). 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiners statement**

In the course of 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 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

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.

*Allison Neill*

Allison Neill C.A. (ICAS)  
James Anderson & Co  
Chartered Accountant (ICAS)  
Pentland Estate  
STRAITON  
Edinburgh  
EH20 9QH

30 August 2017

**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**For the Year ended 31 March 2017**

	Notes	Unrestricted Funds General Fund £	Designated Funds £	Total Restricted Funds £	Total Funds 2017 £	Funds 2016 £
<b>Income</b>						
Donations	4	16,544	-	135,730	152,274	9,982
Charitable activities	5	208,639	-	-	208,639	205,136
Investments	6	687	-	-	687	808
Total Income		<u>225,870</u>	<u>-</u>	<u>135,730</u>	<u>361,600</u>	<u>215,926</u>
<b>Expenditure</b>						
Charitable activities	7	<u>185,258</u>	<u>2,511</u>	<u>122</u>	<u>187,891</u>	<u>180,001</u>
Total Expenditure		<u>185,258</u>	<u>2,511</u>	<u>122</u>	<u>187,891</u>	<u>180,001</u>
<b>Net Income/(Expenditure)</b>		<b>40,612</b>	<b>( 2,511)</b>	<b>135,608</b>	<b>173,709</b>	<b>35,925</b>
Transfer between funds	13	<u>( 34,074)</u>	<u>34,074</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>6,538</b>	<b>31,563</b>	<b>135,608</b>	<b>173,709</b>	<b>35,925</b>
<b>Reconciliation of Funds</b>						
Total funds brought forward		<u>36,498</u>	<u>313,228</u>	<u>43,172</u>	<u>392,898</u>	<u>356,973</u>
<b>Total funds carried forward</b>	<b>13</b>	<b><u>43,036</u></b>	<b><u>344,791</u></b>	<b><u>178,780</u></b>	<b><u>566,607</u></b>	<b><u>392,898</u></b>

The results set out in the statement above derive wholly from the continuing operations of the Charity. The Charity has no recognised gains or losses other than as stated above.

**Balance Sheet**  
**As at 31 March 2017**

	Notes	2017 £	2016 £
<b>Fixed Assets</b>			
Tangible fixed assets	10	292,424	288,228
<b>Current Assets</b>			
Debtors	11	4,070	4,183
Bank & cash		275,475	105,543
		279,545	109,726
<b>Creditors</b>			
Amount falling due within one year	12	5,362	5,056
<b>Net Current Assets</b>		274,183	104,670
<b>Net Assets</b>		566,607	392,898
<b>The Funds of the Charity</b>			
Unrestricted fund – General fund	13	43,036	36,498
Unrestricted funds – Designated funds	13	344,791	313,228
<b>Total Unrestricted Funds</b>		387,827	349,726
Restricted funds	13	178,780	43,172
		566,607	392,898

These annual accounts have not been audited because the company is entitled to the exemption provided by S477 of the Companies Act 2006 and members have not required the company to obtain an audit of its accounts for the period in accordance with S476 of the Companies Act 2006. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with S386 of the Companies Act 2006. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year in accordance with S396 Companies Act 2006, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the 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.

The financial statements on pages 9 to 17 were approved on 30 August 2017 and signed on its behalf.



Allan Sturrock Director

**Notes to the Financial Statements  
For the Year ended 31 March 2017****1. Statutory information**

The Pastoral Foundation is a private company, limited by guarantee with charitable status and registered in Scotland. The company's registration number and registered office address can be found on the Reference and Administrative Details page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**a) Basis of accounting**

The financial statements have been prepared in accordance with 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 (FRS102) (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.

The Pastoral Foundation 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).

**b) Reconciliation with previously generally accepted accounting practice**

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council. The last financial statements for the year ended 31 March 2016 were prepared under the previous UK GAAP. The transition date to FRS 102 is therefore 1 April 2015.

There have been no changes to the financial performance or position of the charity as a result of complying with the new standard.

**c) Preparation of the accounts on a going concern basis**

The financial statements are prepared on a going concern basis. There has been an increase in free reserves in the year and the directors consider that there are no material uncertainties about the Charity's ability to continue as a going concern. During their assessment the key area considered was the Charity's continuing ability to provide counselling services to meet public demand. With the property now being owned by the Charity outright, stability within its key personnel and a client waiting list the directors consider that the Charity will continue to operate for the foreseeable future.

**d) Donated Services**

In accordance with the Charities SoRP (FRS102) general volunteer time is not recognised in the accounts. Information regarding the contribution of volunteers is provided in the Report of the Directors.

**e) Income recognition**

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

Donations and grants are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation or grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

**Notes to the Financial Statements (Continued)****f) Expenditure recognition**

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

All expenditure relates to charitable actions and governance cost in respect of an Independent Examiner.

**g) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**h) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost of tangible fixed assets less their estimated residual values over their expected useful lives on the undernoted basis.

Furniture & office equipment – 4 years

Computer equipment – 4 years

Heritable property – 30 years

**i) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

**j) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**k) Cash in bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments.

**l) Funds structure**

Unrestricted income funds comprise those funds which the directors are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the directors, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Further details of each fund are disclosed in note 13.

**m) 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)

## 3. Income

Income is stated at the amounts receivable for the year. This income represents the amounts derived from the provision of counselling, training courses and donations which fell within the company's ordinary activities.

## 4. Donations

	2017 £	2016 £
General Fund - Unrestricted		
Anonymous	7,292	-
Anonymous	1,000	-
Elizabeth Bondi	-	2,000
Other donations under £1,000	8,123	7,354
Gift aid recoverable	129	628
	<u>16,544</u>	<u>9,982</u>
Young Adult Counselling Fund – Restricted		
* Anonymous	<u>135,730</u>	<u>-</u>

\* Donation received from the proceeds of the winding up of a charity which provided services to young adults.

## 5. Income From Charitable Activities

General Fund - Unrestricted		
Counselling contributions	147,065	144,703
NHS Lothian	30,000	30,000
NHS Lothian – WHSL	10,000	10,000
Dean & Cauvin	450	-
Gift aid recoverable	21,124	20,433
	<u>208,639</u>	<u>205,136</u>

## 6. Income from Investments

General Fund - Unrestricted		
Bank interest	<u>687</u>	<u>808</u>

## Notes to the Financial Statements (Continued)

## 7. Expenditure on Charitable Activities

	Total 2017 £	Total 2016 £
General Fund - Unrestricted		
Salaries, national insurance	85,843	88,619
Employer pension costs	547	-
Recruitment costs	250	250
Fast track payments	8,725	10,422
Supervision fees	38,515	36,105
Assessment fees	5,740	6,069
Contract work	9,900	7,000
WHSL fees	6,755	8,063
Dean & Cauvin expenses	545	-
In-service training	954	1,500
Professional indemnity insurance	584	554
Subscriptions	595	570
Books	586	33
Catering	540	809
Travel	73	141
Staff training	20	45
Rates & water rates	2,713	2,882
Heat & light	2,185	2,376
Insurance	1,371	1,301
Cleaning	1,758	1,863
Payroll processing	567	540
Employment related costs	175	225
Printing & stationery	1,474	1,272
Computer software & office Equipment repairs	3,064	2,302
Upkeep property	7,090	1,349
Telephone	974	1,147
Postages	299	610
Marketing costs	10	-
Independent examiner's fee	1,080	1,020
Production of annual report & AGM costs	750	405
Company registration	13	13
Feasibility study	720	-
Miscellaneous	843	663
	<u>185,258</u>	<u>178,148</u>
Fixed Asset Fund – designated Depreciation	<u>2,511</u>	<u>966</u>
Core Evaluation Training Fund – restricted Core evaluation training costs	<u>122</u>	<u>887</u>

## Notes to the Financial Statements (Continued)

8. Employee Information	2017	2016
The average monthly number of employees during the year was:	4	4
Costs	£	£
Salaries	82,004	83,644
Social security costs	3,839	4,975
Pension costs	547	-
	<u>86,390</u>	<u>88,619</u>

No staff member is remunerated at a level in excess of £60,000 per annum.

Total key management remuneration was:	Total benefits	45,833	43,422
	Pension contributions	<u>230</u>	<u>-</u>

## 9. Related Party Transactions and Directors' Expenses and Remuneration

The directors give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2016: £nil). Alison Hampton is also employed by The Pastoral Foundation as Director of Counselling. She received no remuneration for serving as a director but received a salary of £34,422 (2016 - £35,158) for her normal employment. This is paid at the normal rate for her position within the Foundation and is permitted by the governing document.

During the year £9,900 (2016: £7,000) was paid to Matthew Haggis, a director of the Foundation, for contract work, £861 (2016: £1,019) for carrying out client assessment and fast track appointments and £300 (2016: £nil) for the design of the Charity's annual review. Judith Fewell, also a director in the Foundation, received £350 (2016: £245) for providing monthly supervision for a counsellor. The rates paid were based on a normal commercial basis and were in line with payments made to other assessors and supervisors.

No remuneration was paid to any other director during the year or previous year. No director was reimbursed for their travel expenses during the year (2016: two - £61).

## 10. Tangible Fixed Assets

	Heritable Property £	Furniture & Equipment £	Computer Equipment £	Total £
<b>Cost</b>				
31 March 2016	285,331	12,909	17,159	315,399
Addition	-	528	6,179	6,707
Disposal	-	-	(12,933)	(12,933)
31 March 2017	<u>285,331</u>	<u>13,437</u>	<u>10,405</u>	<u>309,173</u>
<b>Depreciation</b>				
31 March 2016	-	12,909	14,262	27,171
Charge for year	-	-	2,511	2,511
On disposal	-	-	(12,933)	(12,933)
31 March 2017	<u>-</u>	<u>12,909</u>	<u>3,840</u>	<u>16,749</u>
<b>Net Book Value</b>				
31 March 2017	<u>285,331</u>	<u>528</u>	<u>6,565</u>	<u>292,424</u>
31 March 2016	<u>285,331</u>	<u>-</u>	<u>2,897</u>	<u>288,228</u>



## Notes to the Financial Statements (Continued)

11. Debtors	2017 £	2016 £
Tax Refunds – gift aid	1,955	2,032
Accrued interest	128	256
Prepayments	1,987	1,895
	<u>4,070</u>	<u>4,183</u>

## 12. Creditors

Amounts falling due within one year

Accruals	3,774	3,283
Taxation & social security	1,588	1,773
	<u>5,362</u>	<u>5,056</u>

## 13. Statement of Funds

	31 March 2016 £	Incoming Resources £	Outgoing Resources £	Fund Transfers £	31 March 2017 £
<b>Unrestricted Funds</b>					
General fund	36,498	225,870	185,258	( 34,074)	43,036
Designated Funds					
Redundancy fund	5,000	-	-	-	5,000
Building maintenance fund	20,000	-	-	-	20,000
Fixed asset fund	288,228	-	2,511	6,707	292,424
Service continuity fund	-	-	-	27,367	27,367
	<u>313,228</u>	<u>-</u>	<u>2,511</u>	<u>34,074</u>	<u>344,791</u>
<b>Total Unrestricted Funds</b>	<u>349,726</u>	<u>225,870</u>	<u>187,769</u>	<u>-</u>	<u>387,827</u>
<b>Restricted Funds</b>					
Financial stability fund	42,633	-	-	-	42,633
Core evaluation training fund	539	-	122	-	417
Young adult counselling services fund	-	135,730	-	-	135,730
	<u>43,172</u>	<u>135,730</u>	<u>122</u>	<u>-</u>	<u>178,780</u>
<b>Total Restricted Funds</b>	<u>43,172</u>	<u>135,730</u>	<u>122</u>	<u>-</u>	<u>178,780</u>
<b>Total Funds</b>	<u>392,898</u>	<u>361,600</u>	<u>187,891</u>	<u>-</u>	<u>566,607</u>

## Notes to the Financial Statements (Continued)

## 13. Statement of Funds (Continued)

## Allocation of Net Assets between Funds

	Tangible Fixed Assets £	Current Assets £	Liabilities £	Total £
Unrestricted fund - General fund	-	48,398	5,362	43,036
Unrestricted fund - Designated funds	292,424	52,367	-	344,791
<b>Total Unrestricted Funds</b>	<b>292,424</b>	<b>100,765</b>	<b>5,362</b>	<b>387,827</b>
<b>Restricted Funds</b>	<b>-</b>	<b>178,780</b>	<b>-</b>	<b>178,780</b>
<b>Total Funds</b>	<b>292,424</b>	<b>279,545</b>	<b>5,362</b>	<b>566,607</b>

The General Fund is an **Unrestricted Fund** which the Charity is free to use in accordance with its objects.

The **Designated Funds** have been created by the directors as a matter of prudence and are for the purpose of meeting costs in the designated areas.

**Redundancy Fund** - to fund any redundancy related costs which might arise in the future.

**Building Maintenance Fund** - to meet further modernisation costs relating to the fabric of the property.

**Fixed Asset Fund** - to meet the expenditure made less depreciation provided on fixed assets and less liabilities outstanding on their acquisition. This fund demonstrates that part of the reserves which cannot be readily realised to fund continuing operations.

**Service Continuity Fund** – to bridge the gap between expenditure and the receipt of income.

**Restricted Funds** are funds which are to be used in accordance with specific restrictions imposed by the donor.

**Financial Stability Fund** – to meet any deficit on the income and expenditure account on an annual basis.

**Core Evaluation Training Fund** – to meet the costs of core evaluation training.

**Young Adult Counselling Service Fund** – to meets the costs of a counselling services for young adults.